

Auction houses go it gavel and tongs

By Torin Douglas

In the best tradition of baked bean and soap powder manufacturers, Britain's two biggest auctioneers will soon be locked in an advertising battle, in which each is playing by different rules. Sotheby's is taking the stance of brand leader, with elegant understated advertisements; Christie's is promoting itself as the cheaper of the two.

Sotheby's, the world's largest auction house, is launching a £7.5m campaign this weekend to persuade the art world that is the place to auction one's valuables. So confident is the company of the value of its name, that the advertisements appearing in national newspapers and magazines will not even carry the company's address or telephone number.

They will simply show an elegant blonde, whose face is never seen, admiring pieces in elegant houses, with the copy line: "You're thinking of selling? And you haven't spoken to Sotheby's?"

The advertisements speak volumes by what they do not say. There is no mention of the issue that has split the art world, namely the buyer's premium charged by auctioneers, which is being investigated by the Office of Fair Trading.

The contrast with the advertising campaign by Christie's, Sotheby's greatest rival, could hardly be greater. For Christie's, which decided last December to cut its buyer's premium from 10 per cent to 8 per cent, is hammering home in its advertisements its 2 per cent advantage over Sotheby's.

Christie's, now an even bigger bidder in the price-conscious headlines, says: "By reducing the buyer's premium by a fifth, from 10 per cent to 8 per cent, Christie's now offers the most competitive rates of any international auction house."

The advertisement ends with the pay-off line: "Christie's competes. Since 1768." Then follows the company's address.

Is Sotheby's convinced that its arrogant approach is going to pay dividends in the face of its rivals' aggressively competitive campaign? Mr. Barry Turner, the marketing director, is convinced that it will, although he agrees that he was doubtful about whether the Sotheby's address should be left out.

Russell Associates, Sotheby's advertising agency, argued strongly that Sotheby's should take the understated, brand leader approach. The client was convinced, apparently, that research results indicated that 90 per cent of the public recognized Sotheby's name.

Underlying the strategy, however, is Sotheby's belief that the buyer's premium is irrelevant in an advertising campaign of this type, which is aimed at increasing business through sellers.

"What we are saying in this campaign," Mr. Turner says, "is that we are not only the biggest, we are also the best."

Heinz or Persil could not have put it better.

Belgravia closure, page 12

A few words for the Prime Minister



Mrs Vi Ruffel, from Dulwich, South-east London, one of more than 800 pensioners from all over Britain who lobbied Parliament yesterday for higher pensions and other concessions. Representatives from the National Pensioners' Convention, which is sponsored by the Trades Union Congress, met the Prime Minister, but said afterwards that Mrs Thatcher had offered nothing beyond a promise to consider waiving some standing charges on fuel supplies and telephone bills.

Fighting goes on amid Hama's rubble-strewn streets

From Robert Fisk Hama, Feb 18

The unshaven Syrian tank crew seemed almost indifferent to the two shells that burst around a cluster of buildings half a mile to the west. There were two loud reports and a dirty trickle of brown smoke began to pour from the windows of a blue-painted house.

The soldiers watched for a few moments, their battlefired faces covered in a grim, their eyes bloodshot from lack of sleep, then they lay back to rest against their vehicles.

Only the woman of Hama, black-robed most of them, waiting for transport out of the besieged city in which their homes had been destroyed, seemed to care.

A girl in her twenties, with a small, round, peasant face and pale blue scarf on her head, pushed herself into our car.

"I want to look for my brother," she said quietly, as if suppressing emotion. "His house was on fire. He was not there. I want to see the cemetery. There were more than 100 bodies laid out but I could not find his. God be merciful." She sank into a corner seat, resentful and frightened.

There was another rumbling explosion across the ghost-like city followed by a peppering of rifle shots that sounded thin and unreal down one of the streets, as if someone had dropped a pack of cards on to a wooden table. The smoke had begun to blossom out of the buildings now, climbing upwards and smudging the surrounding streets in a brown mist.

The morning sun glinted briefly off a silver-roofed mosque, its perfect dome broken by a shellhole that had left a thick black stain on the tiles.

The Syrian Government says that the fighting in Hama has ended, that only a few fanatical members of the Muslim Brotherhood remain in the old quarter of the city. But they have not permitted foreigners to enter Hama and verify this, and it is easy to see why. The city is almost empty, inhabited only by exhausted soldiers, gunmen and frightened, desperate women, its suburbs surrounded by up to 12,000 troops and its streets covered in rubble.

I drove into the battle lines this morning with two soldiers who had asked me for a lift back to their units. They claimed—with considerable justification—that after 16 days, there was no sign to an end to the fighting.

Three hundred yards from one of the ancient wooden water wheels that once made Continued on back page, col 4

Reagan admits concern at interest rates

From Nicholas Hirst, Washington, Feb 18

President Reagan said today that interest rates were one of his chief concerns, but he added at a Washington news conference that he was determined to keep deficits down.

"I want to make it clear today that neither this administration nor the Federal Reserve will allow a return to the fiscal and monetary conditions of the past that have created current conditions."

He made it clear there was little room for compromise with Congress on his 1983 budget. He was sticking to his defence spending plans and tax cuts.

He refused, however, to be pinned down to saying when the effects of his policies would bring about an upturn in the economy. Sacking away, to some degree from the predictions of his economic advisors in their annual report to Congress that recovery would get under way in the second quarter, the President said it would happen in the months ahead.

The President emphasised that there were no plans to send combat troops to El Salvador or anywhere else, but he refused to say whether America would use covert action.

Trying to reassure Congress that the United States was not being drawn into a Vietnam-type of conflict in El Salvador, Mr. Reagan said his eighth news conference as President: "Let there be some misunderstanding, there are no plans to send American combat troops into action any place in the world."

De Lorean set to call in receiver for rescue bid

By Julian Haviland, Political Editor

Agreement on a voluntary receivership for the De Lorean car company in Belfast was expected in government circles last night after talks between ministers and the company's board resumed at the Northern Ireland Office in London.

De Lorean was set to call in a receiver to take over the company's affairs, a move which would allow the company to continue to operate while a receiver was appointed to manage its affairs.

A statement will be made in the Commons today.

At the end of the day, Mr. Cork said: "There is every chance that the jobs in Northern Ireland will carry on."

"There is hope for the company and Mr. Prior thinks there is hope for the company."

Motor industry sources last night speculated that, although Mr. Prior may not be willing to inject new cash support, he may provide some loan guarantees.

Certainly he has come under considerable pressure in the past few days both from within the province, and from some of the mainland suppliers to De Lorean, who would be badly hit by the company's closure.

The car firm now employs 1,500 workers, but as many as 3,000 jobs could be lost elsewhere as a result of its failure.

Further job losses at De Lorean will be a desperate blow to Northern Ireland, where unemployment in January ran at 113,337 or 19.7 per cent of the workforce.

But that figure hides pockets of 40 per cent male unemployment in some parts of depressed Catholic West Belfast from where the car plant draws a fair proportion of its workers.

Job losses at De Lorean would be multiplied down the line among the car company's 200-plus suppliers. The unions and the company estimate that up to 1,000 jobs in Northern Ireland and at least three or four jobs in the mainland may depend on the company.

Photograph, back page

Parker defends his decision to pay up

By David Felton

British Rail last night mounted a strong defence of its decision to pay the three per cent increase to striking footplatemen and denied accusations of retreat by yesterday's news formula which ended the strikes.

Sir Peter Parker, the BR chairman, said that he was prepared to resign if the issue of flexible rostering is not agreed by the train drivers' union, at the end of the fresh negotiations, which open on Monday.

The executive of the Associated Society of Locomotive Engineers and Firemen (ASLEF) yesterday rubber-stamped their negotiators' acceptance of the peace formula and the decision to call off the strikes, but not without last minute hiccup.

Sir Peter said on the radio that he believed the agreement, reached after 13 hours of talks at the offices of the Advisory, Conciliation and Arbitration Service (Acas), meant that the union would move away from the guaranteed eight-hour day.

That remark led the executive to delay the decision to halt the strikes and Mr. Ray Buckton, ASLEF general secretary, said Sir Peter's remarks had been "irresponsible".

He said: "Aslef's very firm policy is against any elimination of the guaranteed eight-hour day and we shall be pursuing that policy right the way through the negotiations."

Sir Peter said the ASLEF strikes had cost BR about £90m in revenue and an uncalculated sum in freight business now lost to the railways. The consequence of this could be that 3,000 more jobs will have to disappear from the industry on Monday.

Travellers in London also face disruption on March 10, when unions plan to halt London Transport bus and Underground services in protest at plans to cut jobs and services.

Sting in the tail, page 2

Leading article, page 11

Palace offended by bikini photographs of Princess

By Alan Hamilton

Buckingham Palace has taken strong exception to photographs of the Princess and Prince Charles in holiday in the Bahamas, published in yesterday's editions of The Sun and the Daily Star.

The Queen is understood to regard them as being in the worst possible taste.

The pictures, clearly taken with powerful telephoto lenses, show the Princess, who is almost six months pregnant, relaxing and swimming at a beach on the island of Windward, wearing only a brief bikini. They were taken by the two papers' specialist royal photographers, Mr. Arthur Edwards and Mr. Ken Lennox.

Both newspapers carried prominent front-page pictures of the plainly pregnant Princess, together with double-page spreads inside. One Sun picture shows the Princess applying suntan lotion to Prince Charles's back, while the Star has pictures of the interior of the royal couple's holiday villa.

Mr. Michael Shea, the Queen's press secretary, yesterday made a strong statement to the effect that the Queen's disapproval of the pictures was "very strong".

Mr. Shea said that the Queen's disapproval of the pictures was "very strong".

He was aware that both newspapers intended to cover the holiday, although he had been led to believe the Star was sending only a reporter.

"I did not make any specific request to either paper not to take photographs, but I did point out that it was a private holiday. It would have been reasonable to expect the spirit of our December meeting with editors to be observed," Mr. Shea added.

Mr. Turner, of the Star, attended the December meeting at the Palace, but The Sun did not.

Last week, at a London Press Club dinner, the Prince of Wales thanked journalists for showing more consideration to his wife in the wake of the Palace meeting.

The two newspapers today carry editorials expressing regret that the Queen and the royal couple may have been upset by the pictures. Both confirmed last night that they were withdrawing their teams from the holiday island.

Mr. Turner said yesterday he had informed the Palace he was sending a photographer to cover the royal holiday. The Star always respected requests to stay away from the royal couple, but there had been no such request on this occasion, he said.

The Palace said last night that its switchboard had received many calls protesting at the pictures.



And think your new interest in the royal family is the worst possible taste.

in December, when a specific request was made to newspapers and broadcasting organizations to refrain from following the Princess during the Christmas holiday at Sandringham, and at their home at Highgrove, Gloucestershire.

"No specific mention was made at that time of any holiday in the Bahamas, but the clear intention was to relieve the intense media pressure on the Princess during her pregnancy," Mr. Shea said.

He was aware that both newspapers intended to cover the holiday, although he had been led to believe the Star was sending only a reporter.

"I did not make any specific request to either paper not to take photographs, but I did point out that it was a private holiday. It would have been reasonable to expect the spirit of our December meeting with editors to be observed," Mr. Shea added.

Mr. Turner, of the Star, attended the December meeting at the Palace, but The Sun did not.

Last week, at a London Press Club dinner, the Prince of Wales thanked journalists for showing more consideration to his wife in the wake of the Palace meeting.

The two newspapers today carry editorials expressing regret that the Queen and the royal couple may have been upset by the pictures. Both confirmed last night that they were withdrawing their teams from the holiday island.

Mr. Turner said yesterday he had informed the Palace he was sending a photographer to cover the royal holiday. The Star always respected requests to stay away from the royal couple, but there had been no such request on this occasion, he said.

The Palace said last night that its switchboard had received many calls protesting at the pictures.

Preview

Art, London's fringe theatres as forbidding as they may seem to the average West End theatregoer? Today's Preview, the 16-page guide to entertainment and the arts in Britain, identifies the best, brightest and the most provocative members of the volatile fringe scene. Preview also contains full information about films, theatre, music, exhibitions, family outings, sport and broadcasting in the coming week.

Leyland strike uproar

Strikers at the Leyland truck plant in Lancashire are to return to work on Monday after a mass meeting which ended in uproar when a convener announced a vote to continue the action. The verdict was later reversed. Colleagues at Chorley are also ending their strike. Workers at Barchart in Scotland vote today.

Tube disaster in Moscow

Many workers were killed or injured when a staircase collapsed during the rush-hour at the Aviamotornaya Underground station in northern Moscow on Wednesday evening. The station is on a recently opened line.

£1m boost for London Zoo

The London Zoo, which asked for government aid last year after reporting a £550,000 deficit for 1980, is to receive an emergency cash advance "not expected to exceed" £1m, Mr. Michael Heseltine, Secretary of State for the Environment, said in the Commons.

Football chiefs facing their crisis

Crisis in Football is a full-page analysis of the problems facing Football League chairmen at their seminar in Solihull this weekend.

Kincora inquiry

A public inquiry chaired by a High Court judge will investigate the circumstances of the nonconsensual removal at Kincora boys' home, Belfast, when police investigations are concluded, Mr. James Prior told MPs.

Madrid trial

Spanish police have been placed on maximum alert for the court martial which begins in Madrid today of three Army generals accused of plotting the overthrow of democracy in Spain a year ago.

Share scramble

The Amersham International share issue was more than 20 times oversubscribed. Cheques for the issue totalling more than £1,000m put through the banking system caused a global age of bank funds.

TROUBLED ALLIES

In the final article in a series on the state of the Atlantic Alliance, James Callaghan, the former Prime Minister, argues that the effectiveness of Nato will always be in doubt while America and Western Europe view the world in such different ways.

In The Times tomorrow

In the country with Susan Hill: The distinguished novelist brilliantly evokes rural life in the first of a series of articles from her forthcoming book, *The Magic Apple Tree*. The Great European Eaters: Gert von Paczensky begins his side of a combined gastronomic tour of Britain by eating at Inverloch Castle, Inverness-shire. The George Washington Scandals: Marcus Cunliffe, the historian, disentangles the man from the myth.

Leader page, 11

Letters: On the rail settlement, from Mr. R. J. W. Crabbe, and others; child and parent from Dr. A. M. McWhinnie, and Mr. K. Campbell.

Leading articles: Spain; railways; gas and electricity prices. Features, pages 9, 10.

The Budget measures that could bring £7,000m investment and 300,000 new jobs; David Watt puts the case for a money-saving missile; schoolboy speculation on the United States stockmarket, by Peter Watson.

Obituary, page 12: Dame Ngaio Marsh, Dr. Francoise Henry.

Home 2, 3, 5	Motoring 21
Overseas 6-8	Parliament 4
Arts 12	Sale Room 12
Business 14-18	Science 20
Court 19	Sport 19-21
Crossword 24	TV & Radio 23
Diary 26	Theatre, etc 23
Events 28	Weather 23
Law Report 9	Wills 12

Judge to head boys' home investigation

From Nicholas Timmins, Belfast

A High Court judge is to head a public inquiry into the scandal at Kincora boys' home in Belfast, but not until police inquiries into homosexual activities there and at other homes have been completed.

The move was announced by Mr James Prior, Secretary of State for Northern Ireland, yesterday as Sir John Hermon, Chief Constable of the Royal Ulster Constabulary, announced that a chief constable from outside was to be brought in to investigate allegations that the RUC was involved in a cover-up.

Sir John said that to allay public concern he had asked the Inspector of Constabulary to appoint an outside officer who would have access to all papers, past and present, as well as general oversight of the continuing investigations.

Mr Prior's announcement goes much of the way to meet demands for a judicial inquiry after the original investigation, held in private, collapsed last week when three of the investigating committee of five resigned, saying that the criminal aspects of the affair had still to be examined.

The inquiry's precise terms of reference and its powers will be decided after police investigations and criminal proceedings are completed, Mr Prior said.

Five people have been jailed so far for sexual offences in boys' homes. Those include the warden, deputy warden and Mr William McGrath, a house father at Kincora, who received a total of 15 years' imprisonment for offences including buggery, gross indecency and indecent assault.

Yesterday's moves were welcomed by Mr Gerard Vint, Independent Socialist MP for Belfast, West.

Mr Vint, who has been calling for a judicial inquiry, said the RUC had responded well, but "where were they between 1961 and 1980 when allegations were first put to the authorities?"

The public inquiry was a big improvement on the previous inquiry, but he was anxious there should be no delay.

He said he also wanted the inquiry to have powers to compel those in prison, as well as Mr Colin Wallace, a former Army press officer, who is said to have told journalists in 1975 that the Army knew that Mr McGrath was a homosexual, to attend.

Mr Wallace is serving a prison sentence in England for a manslaughter offence.



Vote protest: Leyland workers surrounding Mr Michael Coyne after his declaration of the result yesterday.

Leyland strike ends in uproar

By Edward Townsend, Industrial Correspondent

Strikers at the Leyland truck factory in Lancashire are to return to work on Monday after a confused mass meeting yesterday at which the works convenor at one stage declared the vote to be overwhelmingly in favour of continuing the stoppage.

The meeting ended in uproar when Mr Michael Coyne, the convenor, announced the result. Many of the 7,500 strikers surged towards the platform, claiming Mr Coyne had misjudged the vote. He was booed and jeered for more than 30 minutes and some workers alleged that he had tried to

force the company to close down. Mr Coyne conceded afterwards that his verdict may have been "a little exaggerated" and his decision was later reversed with an announcement that the vote was in favour of ending the strike.

The final interpretation of the vote was welcomed by BL, which said that the continuation of the strike, and planned redundancies and restructuring of the commercial vehicle operation, would close the factories.

Workers at the Bathgate plant in West Lothian, Scotland, are to meet today. As they went on strike in support of their Leyland colleagues, it is thought they might also vote to return to work.

The BL board was standing by for an emergency meeting today and was expected to announce closures and possibly liquidation of the Leyland group if the strike votes went against the company's plans.

Meanwhile, 1,500 strikers at the Chrysler plant in Lancashire and 1,750 white collar staff have also agreed to resume work next week.

BL said that given a return to work vote at Bathgate "all of us at Leyland Vehicles must press ahead without delay with the task of winning back lost customers."

The mass meetings came after the breakdown of talks between the management and unions earlier this week, when the company rejected an alternative strategy which, it said, would cost £500m to implement over the next five years. Leyland has been losing £2m a week in recent months, largely because of a drop in demand for heavy trucks.

Mr Stuart Hampshire, Warden of Wadham, has now issued a statement, saying that over the years the college had received substantial gifts from an overseas benefactor who had now promised "a further very substantial benefaction" to provide student accommodation, of which the college was in urgent need.

This help is in the present situation, of the highest value, particularly given government policy towards overseas students. Against this background, the college will be pleased to accept two children of the benefactor, subject to their meeting the university's admission requirements," Sir Stuart said. No student would be excluded because of those admissions, he added.

The only admission requirement for the college is that of minimum matriculation qualification.

There is no rule to prevent a college from accepting any student for whatever reasons, provided he satisfies the minimum requirements. Nor is there any rule to prevent a college from accepting money in return for a student place.

However, Mr Peter Gwyn, a research fellow in history at Wadham, said last night: "This is the unacceptable face of Oxford. It is not a finishing school for millionaires."

An Oxford college 'sells' two places

By Diana Geddes, Education Correspondent

An Oxford college has agreed to accept two Hong Kong students without their taking the University entrance examination provided they get minimum university matriculation requirements of two grade Es at A level, in return for a £500,000 gift to the college from their father.

It is understood that similar deals, including ones with wealthy British parents, are being considered by other colleges in Oxford and Cambridge. Other hard-pressed universities may be tempted to follow suit.

One don at Wadham, the college in question, threatened to resign unless the college made public its agreement with Mr Lee Shau Kee, a businessman involved in land and property investment in Hong Kong.

Sir Stuart Hampshire, Warden of Wadham, has now issued a statement, saying that over the years the college had received substantial gifts from an overseas benefactor who had now promised "a further very substantial benefaction" to provide student accommodation, of which the college was in urgent need.

This help is in the present situation, of the highest value, particularly given government policy towards overseas students. Against this background, the college will be pleased to accept two children of the benefactor, subject to their meeting the university's admission requirements," Sir Stuart said. No student would be excluded because of those admissions, he added.

The only admission requirement for the college is that of minimum matriculation qualification.

There is no rule to prevent a college from accepting any student for whatever reasons, provided he satisfies the minimum requirements. Nor is there any rule to prevent a college from accepting money in return for a student place.

However, Mr Peter Gwyn, a research fellow in history at Wadham, said last night: "This is the unacceptable face of Oxford. It is not a finishing school for millionaires."

"But if you are going to do it, it is absolutely right that it should be made public. Perhaps Oxfordshire should introduce a category of students: children of wealthy benefactors."

"If you are going to allow any student to enter Oxford because their parents are prepared to give large sums of money, the notion that Oxford or Cambridge is an academic place goes out of the window."

Science report

Inuit is not a choosy eater, study shows

By Tony Samstag

When the interests of indigenous people in wilderness areas come into conflict with the aspirations of the wilderness, the outcome is usually predictable.

The experience of the Inuits (Eskimos) of northern Quebec may be an exception that proves the rule, however, and in the process provides a valuable lesson in the compatibility of development and conservation.

In 1974 the Inuits and the Government of Quebec agreed to a large hydroelectric complex, because of its probable effects on traditional hunting and fishing territories.

A year later, an agreement was signed by all parties to the dispute specifying that future projects take into account the need to preserve the hunting, trapping and fishing rights of the Inuits, and on a wider scale to protect the ecological system in the region.

This has been a success story. The Inuits have been able to gather the necessary data to permit harvest levels and routine environmental assessment techniques. About half way into the programme, some interesting facts have emerged.

The Inuits of northern Quebec harvest more than 3.4 million lb of protein each year, or enough for about 100 million people. The harvest represents 28 species of mammals, fish and birds of which 5 supply more than three quarters of the total by weight: 17,000 ringed seals (19.8 per cent), 134,000 Arctic char (15.1 per cent), 183,000 caribou (18.3), 546 muskoxen (10.9), and 1,400 bearded seals (9.6).

The study programme to date has also yielded basic data on hunting territories by species, and seasonal variations in hunting. Detailed interviews with individual hunters, and estimates of land-use intensity. Field studies have been carried out in the Inuit communities of Grise Fiord, Repulse, Fort Chimo, George River and Akulivik. The next phase of the study is likely to produce comprehensive ecological maps.

Source: *World Wildlife Fund* Project 1284 Canada, Lowland Resource Use among Inuits (WWF, Panda House, 11-13 Oxford Road, Godalming, Surrey GU7 1QU, U.K.).

NEWS IN SUMMARY

Court curb on Minster homes plan

A High Court judge yesterday granted a temporary injunction preventing the Beveridge Council, Humber, from considering an application for detailed planning permission for a housing estate near the Minster (John Young writes).

The scheme by the St Andrew Street Housing Co-operative has caused prolonged controversy, and was the subject of a number of letters to *The Times* last year.

As well as complaints that the development would ruin a historic and cherished view, there were allegations that the council had acted improperly. They were supported by the local Council, which said the council of maladministration.

Jobless cost up by £420m

The Treasury disclosed yesterday that it had provided an extra £420,000,000 for supplementary benefits and supplementary pensions for the present financial year, giving a total estimated expenditure of £4,983m for the year.

A large proportion of the increase was accounted for by the fact that more people have remained unemployed for longer than expected.

Tories' new plea for invincibility

A further protest against the proposed sale of HMS *Invincible* was made by 20 Conservative backbenchers in a Commons motion last night.

They said they viewed the proposal with alarm and called on the Government to allocate additional resources, estimated at £170m to the Ministry of Defence.

The flu virus: A miserable miscalculation

In yesterday's report on the influenza epidemic, an accompanying diagram said 20,000 of the A-strain of the virus could fit in the area of the black square above. The artist greatly underrated the virus—indeed the diagram was out by some 3,599,980,000, since about 3,600 million can fit in this area.

The diagrammist apologises to all influenza sufferers; and the medical correspondent—who was not responsible for the error—reports the better news that this year, because the strain has shown little variation from last year, the vaccine used by commercial companies is expected to give 70 per cent protection. [The vaccine, to be effective, must have been given one month before exposure to infection, and young people and others who had few previous attacks are advised to have two injections.]

Police look into WRP youth centre

By Michael Horsnell

Special Branch officers are to investigate the activities of a training centre for unemployed young people run by the Workers' Revolutionary Party, less than a mile from some of the worst rioting in Liverpool last summer.

Downing Street confirmed yesterday that the Prime Minister has asked the Home Office for a report into allegations that the party encouraged young people in anti-police methods and indoctrinated them with extreme revolutionary views.

At the centre of the controversy is a rundown former fudge factory with metal grilles barring the windows and a sign proclaiming "Youth Training". The two-storey building, which is soundproofed, was taken over by an organization called Youth Training to provide training opportunities for unemployed young people last March, after a successful planning application to Liverpool City Council which listed Claire Dixon as secretary and Vanessa Reidgrave, a leading WRP member, as chairman.

Inquiries by *The Times* suggest that at political meetings run by the WRP young unemployed people were harangued by speakers advocating no-go areas for the police, the establishment of local militias and an end to the capitalist system.

Jane Hardy, aged 16, who was originally enticed to the centre by the prospect of drama lessons, claims that some of the youths who attended later took part in the Toxteth riots using citizens' band radios to warn rioters of police manoeuvres.

Youngsters were also asked to sell newspapers supporting the WRP and collect donations for the centre.

Police are likely to speak to Mr Stuart Carter, a WRP supporter in his early 20s, who is said to be responsible for the building and who encouraged Miss Hardy to attend the centre with a number of her friends.

Miss Hardy (whose real name is being withheld at her request) said she was at a discotheque in a school near her home when Mr Carter approached her with leaflets and a form inviting her to attend the youth centre.

After attending on several occasions, Miss Hardy, who is now employed to help handicapped children in a school in the South-east, was visited at home by Mr Carter who invited her to a meeting. She says it was packed with about 40 people from Birmingham and Runcorn from the age of 11 to 24 who listened to calls for no-go areas for the police and a new form of government.

None of the WRP officials in London and Liverpool including Mr Carter was available for comment on several occasions that *The Times* tried to get in touch with them.

But in an article in the WRP newspaper *News Line* last week, Claire Dixon the party's national secretary, said: "We must mobilize a massive youth movement, a revolutionary youth movement. . . . There is no peaceful road to socialism—no but the WRP officials deny the struggle for power, to put an end to Thatcher and her rotten capitalist system."

Communist and, indeed, government ministers had witnessed what seemed to be a big climb-down by British Rail in the face of old-fashioned union militancy. The peace formula does not commit Aslef to move away from the guaranteed eight-hour day, which it regards as sacrosanct, but it does commit the union to negotiate on the introduction of flexible rostering in the framework of a very tight timetable.

Sir Peter and his board are certain to come in for criticism for apparently moving

Irish voters move to new contest

From Richard Ford, Dublin

As the votes cast in the general election were being counted today, Irish eyes were turning to an arguably more important contest tomorrow. The rugby international between Ireland and Scotland, which offers the tantalising prospect of bringing the triple crown to the Irish Republic for the first time in 33 years, is attracting big interest, with £8 tickets selling at £50 on the black market.

A victory is the result that really matters to any Irishman, whatever his politics. Even Fine Gael, with a touch of flair, has got in on the act with an advertisement on the back page of a Dublin evening newspaper declaring: "FitzGerald to lead Ireland to victory. Vote for Ireland's winning team. Vote Fine Gael."

It is not lost on anyone that the captain of Ireland's rugby team has the same name as the Prime Minister.

The first election result will be known this afternoon. However, it could be tomorrow before any clear victor emerges.

Nominations closed last night for the Belfast, South, by-election on March 4 with eight candidates in the field.

In spite of pleas for unity after the seat became vacant with the murder of the Reverend Robert Bradford, the Official Unionist MP, in November, both the Official Unionists and Mr Ian Paisley's Democratic Unionist Party are fielding candidates.

Filly under restraint bit off its tongue

From Arthur Osman, Lichfield

A two-year-old bay filly bit off more than five inches of its tongue when it reared while a farrier was holding the tongue to restrain the animal. He was restraining the filly so that his colleague could trim its hooves, Lichfield magistrates were told yesterday.

One witness said that the tongue was guillotined by the filly's incisor teeth. Mrs Janet Roberts, the horse's owner, said: "When they started she was in one piece and when they finished I had five and a half inches of her tongue in my fridge at home."

Alan Ashford, aged 32, of Barnetts Lane, Brownhills, West Midlands, was found guilty of causing the animal

unnecessary suffering. His father, William Kenneth Ashford, aged 57, of Ogley Road, Brownhills, was found guilty of aiding and abetting him. They were each fined £350 and also ordered to pay £140 costs each.

Expert witnesses called by the RSPCA, which brought the case, told the court that the filly had never come across such a method of restraint.

The filly, named Warlock Blue Sky is a granddaughter of the Queen's champion Cleveland bay, Mulgrave Supreme. It can no longer graze and has to be hand fed from a bucket by Mrs Roberts and her daughter, Jane, aged 13, who live at Medway Street, Chasetown, West Midlands.



Jane Roberts with the mutilated filly, Warlock Blue Sky.

Rail peace formula

Sting in the tail for Aslef

By David Felton, Labour Reporter

away from their firm stand against Aslef. But he is unlikely to offer his resignation to the Government, at least for the time being.

At the end of the production negotiations with Aslef, which start next week, flexible rostering has not been introduced for the 20,000 train drivers. Sir Peter will probably then decide to go.

British Rail's stance during the dispute has been that it was not prepared to pay the 3 per cent increase to Aslef members and gain nothing in return. On Tuesday the board decided not to accept the McCarthy inquiry report, which had been approved by all three rail unions, unless Aslef was prepared to make a clearer and more firm commitment to flexible rostering.

Yet little more than 24 hours later a joint statement was issued by British Rail and the unions, signed by Mr Len Murray, TUC general secretary, and Mr Pat Lowry, chairman of Arbitration, Conciliation and Advisory Service (Acas), which made no mention of any commitment to introduce new rostering.

During the 13 hours of discussions at the Acas offices which went into the early hours of yesterday, Mr Murray acted with Mr Lowry as a go-between, and was responsible for drawing up the final form of words in the key paragraph of the joint statement, which eventually sealed the agreement.

British Rail stratches great importance to the fact that Mr Murray signed the statement, because it believes that puts the prestige of the whole union movement "on the line".

On the face of it, there seems little new in the peace formula that was not contained in the understandings on pay and productivity agreed last August, under which British Rail agreed to pay an 11 per cent increase in two stages in return for a commitment from the unions to negotiate on six productivity issues.

However, the sting of this dispute may be in the tail for Aslef.

By accepting the McCarthy report, the management and unions have agreed that the vexed issue of flexible rostering will go through the industry's negotiating machinery, culminating with a hearing at the Railway Staff National Tribunal, the "final appeal court." That body which is also headed by Lord McCarthy will rule on British Rail proposals for the implementation of flexible rostering rather than the principle of flexible rostering.

The management has reached agreement with the other unions on new rosters involving seven to nine-hour shifts in an eight-week cycle, linked to the introduction of the 39-hour week.

The 39-hour week is still being denied to Aslef until the new rosters are accepted and the tribunal, it is Lord

McCarthy's recommendations are followed, will meet by March 19 to be faced with giving evidence to the tribunal on the new rosters while continuing its unwavering commitment to defend the eight-hour day.

The statement that signalled the end of the strikes said: "All the unions have accepted the McCarthy report as printed, without qualification, including confirmation of the commitment to enter into negotiations on productivity."

"None of the unions is seeking to impose on the British Railways Board any condition or any limitation on the issues that can be examined in negotiation, or if necessary referred to arbitration in accordance with the terms as laid down in the report."

As far as British Rail is concerned, those are the crucial paragraphs, and give a clear indication that Aslef is now firmly locked into productivity talks which have to be concluded within the timetable.

The union would also be under pressure to accept any findings of the tribunal, even if those findings are not binding, because to do otherwise would be to negate its arguments throughout the dispute that the issue should have been settled through the negotiating machinery.

Letters, page 11
Leading article, page 11

Racial bias at the Bar to be scrutinized

By Lucy Hodges

Racial discrimination among barristers is to be investigated by a working party containing three QCs and five black barristers presided over by a High Court judge.

The group shows how seriously the Bar is taking allegations of racial discrimination in its own ranks and comes after the failure of a questionnaire sent out by the Bar's governing body a year ago which was boycotted by black barristers and others.

The working party will meet for the first time on March 1 under the chairmanship of Mr Justice Browne-Wilkinson, president of the Employment Appeal Tribunal. Other members of the working party are Mr Andrew Leggatt, chairman of the Bar, Mr Richard Scott, QC, the Bar's vice-chairman, Mr Conrad Dehn, QC, and Sir Arthur Power.

The group will try to identify racial discrimination at the Bar and devise its prevention or cure. A conference will be held at Easter at Cumberland Lodge, which is supported by the Society of Black Lawyers, the Commission for Racial Equality and the Bar.

Black barristers say that it has been difficult for them to establish pupils and tenants in established chambers and they have been forced to set up their own all-black

chambers, commonly known as "ghettos".

In a recent article in the *Law Society's Gazette*, Mr Andrew Leggatt says that these chambers will not have the benefit of experienced senior members. "If the chambers are among the less well-off they may lack books, tools of the barrister's trade. These factors drive many black barristers into the lower grades of work."

The alarm about racial discrimination was first sounded in 1979 when the Royal Commission on Legal Services felt themselves to be outside the normal run of professional practice.

The matter came to a head when Mr Rudy Narayan, who is also on the new working party, was accused of using offensive language at a disciplinary tribunal of the Bar. He had complained of racism and was acquitted of conduct unbecoming a barrister.

Since then the Commission for Racial Equality has been taking preliminary soundings with a view to a formal investigation of the Bar. So far this has come to nothing and the recent moves by the Society of Black Lawyers and the Commission for Racial Equality to set up their own all-black

Alliance plans PR Bill

By Anthony Berris, Political Correspondent

The Liberal-Social Democrat Alliance will go into the next election with legislation prepared for proportional representation.

David Steel, the Liberal leader, says in a television interview to be shown on BBC's *Newsweek* programme tonight: "We expect to prepare not just proposals, but an actual Bill before the election, so that if we come into government we will be ready to introduce a Bill."

He agrees that neither Labour nor the Conservatives would willingly renounce the present electoral system, but the alliance would not be divided from its main demand for reform.

A Marplan poll commissioned by *Newsweek* indicates a continuing slump in alliance fortunes, with only 29 per cent support, compared with 32 per cent for Labour and 34 per cent for the Conservatives.

Nevertheless, the poll conducted on January 26 with 1,000 respondents, put 65 per cent support for a voting system which would match the number of Commons seats in direct proportion to the number of votes cast.

Mr Andrew Marr, the former Conservative Cabinet minister who has strongly opposed pro-

portional representation, says he does not feel that his party will go along with the change.

He said: "If the alliance got any significant number of seats and neither of the two parties was willing to enter into a formal coalition, there are three things that could happen."

"Either the Conservatives could form a government and challenge the SDP to vote them down if they wanted to, or the Labour Party could do the same, or both parties could refuse to form a government and say to the alliance: 'Right you form a government and see how long you last.'"

But Mr Eric Heffer, a member of the Shadow Cabinet and of Labour's national executive, says the Conservatives are more likely to crack than Labour.

Overseas selling prices
Australia \$28; Bahrain \$20; Egypt \$20; Hong Kong \$20; India \$20; Japan \$20; Korea \$20; Kuwait \$20; Lebanon \$20; Libya \$20; Oman \$20; Qatar \$20; Saudi Arabia \$20; Singapore \$20; South Africa \$20; Switzerland \$20; Taiwan \$20; Thailand \$20; United Arab Emirates \$20; United Kingdom \$20; United States \$20; West Germany \$20; Yugoslavia \$20.

YOU CAN STOP SMOKING

Why Do I Smoke? is a unique, personalized course developed by the Health Education Division of Medical Computing Services in conjunction with doctors and consultants to help you give up smoking.

Printed by computer to match your own needs, the five monthly instalments are posted to you and cover a wide range of topics including why you smoke, what smoking does to you and how to stop.

For full details and your application form, write to: The I. S. Medical Computing Services Ltd., Dept. T, Box 11, Oxford OX1 1BN.

Cabinet seems to have shelved rating reform

By Philip Webster, Political Reporter

The Cabinet seems to have abandoned hope of passing legislation to reform the rating system during the present Parliament. Senior ministers, after reluctantly concluding that there is not enough time to agree on an alternative system, are considering ways of presenting a revised commitment to reform at the next general election.

They accept that, having failed to come up with an answer in its previous term of office, the Government would need something more than a simple manifesto pledge for any promise of reform to carry credibility with the electorate.

One strong possibility canvassed by senior ministers is that, on the assumption that some form of consensus emerges between now and the election, a draft rates reform Bill will be included in the next manifesto.

Another, less likely option, is that that Bill would be introduced, with no prospect of enactment, in the final session of this Parliament, which, if the Government runs near to its full course, would begin in the autumn of 1983.

That session will inevitably be truncated by the dissolution, and legislation on such an important subject would have no chance of getting through in time. The likelihood of a Bill in the next session starting next autumn has all but disappeared.

Ministers and most Conservative MPs are committed to a system of reform, but have found it impossible to agree on what should replace it. During the election campaign in October, 1974, Mrs Margaret Thatcher, then Opposition environment spokesman, made a personal pledge to abolish the rates.

The Conservative manifesto then stated: "Within the normal lifetime of a Parliament we shall abolish the domestic rating system and replace it by taxes more broadly based and related to people's ability to pay."

In the last manifesto the commitment was modified: "Cutting income tax must

take priority for the time being over abolition of the domestic rating system." However, the Government's latest move came in December with the publication of a Green Paper, which reiterated its commitment to reform and set out the various alternatives.

Representations have been invited by March 31. They will be voluminous, but will yield no consensus. All the options — a local sales tax, local income tax, or a poll tax, or combinations of either of them with some form of domestic rates, are so fraught with complications that the Cabinet accepts that it is impossible to produce legislation in the next session.

Perhaps the most persuasive argument influencing ministers against action in this Parliament is the approach of the next election. Even if legislation were passed in the next year or two it could not take effect, because of the complex system of computerization involved, until the late 1980s. In the forthcoming legislative programme, which the Government's business managers expect to be heavy, ministers will want to concentrate on measures that have more short-term electoral appeal.

Law Report, page 9

Shore battles on for pay-peg policy

By Anthony Revins, Political Correspondent

The Labour leadership's softening-up campaign in preparation for the eventual introduction of a pay-peg policy was continued last night with a speech from Mr Peter Shore, the shadow Chancellor.

He told a Labour club meeting in Wigan that the Labour Party in Government would have to face, and overcome, the twin problems of inflation and unemployment.

He then quoted the 1944 White Paper on Employment Policy, which said that if a high and stable level of employment was to be maintained it would be essential for employers and workers to exercise moderation in wage matters.

Mr Shore said: "If this does not happen, then increased Government expenditure will not create jobs, but simply swell costs and raise prices. That is why relative price stability and the containment of costs, including income increases, are essential."

He said merely that the Conservatives would scoff at the notion of such a joint venture, but such ridicule would be directed against the ability of men and women to make a judgment of their own best interests and to commit themselves to restraint for the benefit of society.

Mr Shore's speech, a repeat of an appeal for intervention in the collective bargaining process that he made at the party conference last September, comes in the wake of an interview with Mr Michael Foot in *Tribune* last week, in which the Labour leader spoke of the need for pay restraint.

He said merely that the Conservatives would scoff at the notion of such a joint venture, but such ridicule would be directed against the ability of men and women to make a judgment of their own best interests and to commit themselves to restraint for the benefit of society.

Mr Shore's speech, a repeat of an appeal for intervention in the collective bargaining process that he made at the party conference last September, comes in the wake of an interview with Mr Michael Foot in *Tribune* last week, in which the Labour leader spoke of the need for pay restraint.

He said merely that the Conservatives would scoff at the notion of such a joint venture, but such ridicule would be directed against the ability of men and women to make a judgment of their own best interests and to commit themselves to restraint for the benefit of society.

Mr Shore's speech, a repeat of an appeal for intervention in the collective bargaining process that he made at the party conference last September, comes in the wake of an interview with Mr Michael Foot in *Tribune* last week, in which the Labour leader spoke of the need for pay restraint.

He said merely that the Conservatives would scoff at the notion of such a joint venture, but such ridicule would be directed against the ability of men and women to make a judgment of their own best interests and to commit themselves to restraint for the benefit of society.

Mr Shore's speech, a repeat of an appeal for intervention in the collective bargaining process that he made at the party conference last September, comes in the wake of an interview with Mr Michael Foot in *Tribune* last week, in which the Labour leader spoke of the need for pay restraint.

He said merely that the Conservatives would scoff at the notion of such a joint venture, but such ridicule would be directed against the ability of men and women to make a judgment of their own best interests and to commit themselves to restraint for the benefit of society.

Hope behind the despair of Bullwood

By Peter Evans, Home Affairs Correspondent

Girls at Bullwood Hall, a boarding school in Essex, which has become notorious as Britain's most "violent and troubled" prison establishment, are furious about a paper issued last week which said the place should be closed.

Keep Out, a new pressure group, described Bullwood as a "freak show" where girls faced "a sentence of despair". But if that is the truth, it is not the whole truth, as a visit there this week established.

Dr Rowland Berry, the visiting psychiatrist who is quoted as saying that Bullwood was probably the most difficult establishment in the United Kingdom, also said it was a caring community. He told me: "Many more girls cry when they leave than when they come."

One girl, who has been in care since the age of 11, said: "This place is magic. It is just like a children's home."

She was being cuddled by a motherly prison officer. A girl aged 16, who is in for criminal damage and assault on the police, showed me a letter she had written to *The Times* saying: "Did the report mention girls trying to prolong their stay because they become attached to staff and girls?"

She said some deliberately got into trouble to try to get their sentences extended. The girls agree that some tattooing takes place, but they maintain that stories of other forms of self mutilation are much exaggerated. A girl, aged 18, who admitted becoming a burglar when she was nine, said that her tattoos, done before coming to Bullwood, were "to make me look big".

The girls' tattoos are examined on admission to see if others are added while they are inside. Another 18-year-old, in for taking away a car and burglary, showed me her bandaged arm and said she had cut herself with a toothpaste tube. She said, "It just came into my head". She said she did it because staff would not believe her when, on arrival, she said she had a period and so could not have a VD examination.

Dr Perry said he had come across a girl with 17 foreign bodies, needles, pins, and straightened-out paper clips, in her skin.

But staff say that to refer only to mutilation taking place without referring to what is being done about it, tells only half the story.

Mr Eric Cullen, Bullwood's senior psychologist, describes the Keep Out paper as "fragments of facts with uninformed comment". He tells how a computer has been used to help predict which girls might mutilate themselves. As a result, the incidence of self injury has been reduced from 11 cases a week in 1979 to two a week for the last six months.

Girls most at risk are those

Taking care: Bullwood girls can find more attention than they get outside. Below, tattoos are inspected on arrival to monitor self-mutilation.

with a previous history of self injury, previous institutional experience, a record of violent offences, and who have low self-esteem and a low capacity for self-expression.

The Keep Out paper says there are even cases of self-strangulation. But while there is wide concern about cell deaths in the rest of the prison service, Bullwood staff cannot recall a single case of suicide there although there have been attempts.

The girls would no doubt be easier to control if drugs were used with that in mind, but Dr Berry says: "We don't give drugs much. I don't believe drugs are useful for the control of naughty behaviour."

Instead, some of the more disturbed girls are being introduced to them, had 21 'O' levels between them. Another asked a prison officer for a book on neo-realism, which she is going to buy.

therapy unit) where girls are treated with more warmth and affection than might be the case outside.

Two "well known" girls about town, as Dr Berry introduced them, had 21 'O' levels between them. Another asked a prison officer for a book on neo-realism, which she is going to buy.

Perhaps the best recommendation for the job Bullwood tries to do is the number of cards and poems girls send staff.

Forty-five per cent of the girls are reconvicted after 12 months, according to the psychologist's figures. But there are grounds for criticism which Keep Out did

not mention. Bullwood is suffering a serious staff shortage because the new Holloway Prison is being given priority after a recruiting ban.

Bullwood is a penal dustbin in the sense that nowhere else will take one of the most troubled and volatile populations in the penal system.

NEWS IN SUMMARY

Anglers face curbs on trout

An outbreak of whirling disease, which makes young trout swim in circles until they die, seems to be mainly affecting Yorkshire, Humberside, Lincolnshire, Powys and Lancashire, according to a Parliamentary reply by Mr Peter Walker, Minister of Agriculture and Fisheries, and food (Ronald Kershaw writes). Twenty-five cases have been confirmed in England and Wales and orders have been imposed prohibiting the movement of live fish, and eggs of fish, and foodstuffs for fish from the infected areas.

Mr Walker said he could offer no hope of the orders being lifted in time for the opening of the trout fishing season next month. Until the outbreak was detected last year there had been no record of the disease in England or Wales, although it broke out in Scotland in 1968.

School cleared on 'punishment'

Allegations that pupils at a Cornish village school were excessively punished were rejected yesterday.

It had been claimed that an epileptic girl, aged nine, had been struck by the headmaster, but an official statement described the accusation as exaggerated and inaccurate.

The accusations were made by the Society of Teachers Opposed to Physical Punishment (Stopp), which claimed the girl was struck across the knuckles with a piece of wood.

'Tribune' editor to advise Foot

Mr Michael Foot, the Labour leader, has appointed Mr Richard Clements, aged 53, editor of *Tribune*, as his political adviser for the run-up to the next general election. (Our Political Correspondent writes).

Mr Clements, who took up his post in April. He said yesterday that he had worked with Mr Foot on the *Daily Herald* and had joined *Tribune* in 1955, when Mr Foot was editor.

Whitehouse rebuffed

Lord Thomson of Monifieth, Chairman of the Independent Broadcasting Authority, has refused to censor Spooner's Patch, a programme about the Police made by Central Independent Television Ltd. Mrs Mary Whitehouse, president of the National Viewers and Listeners Association, had complained that the programme presented the police as "thoroughly corrupt and promiscuous".

Drug squad 'knew of heroin ring'

From Our Correspondent, Sheffield

A couple lived a life of luxury running a drugs "supermarket" from a rent-free flat while drugs squad officers who knew about the venture did not intervene, Sheffield Crown Court was told yesterday.

Anthony Bashforth, aged 25, Lesley Whyman, aged 26, supplied a variety of drugs and ensnared their clients by first offering free drugs until they were hooked, then forcing them to pay for future supplies, the court was told.

Accused with them was Malcolm Emmert, aged 21, of Newstead, Sheffield, who pleaded guilty to six offences of possessing and supplying drugs and theft.

Bashforth, unemployed, of Cypress Avenue, Sheffield, admitted 27 charges of supplying and handing stolen property and asked for 26 others to be considered.

Whyman, of Topham Drive, Sheffield, admitted four offences of supplying drugs, and 13 of harboring a drug offender. Barbara Whyman, aged 48, also of Topham Drive, admitted one offence, as did a boy aged 16.

The hearing continues.

BMW chief defends price policy

By Patrick Waymark, Motoring Correspondent

The German BMW company yesterday defended its policy of charging 50 per cent more for cars in Britain than on the Continent.

Dr Walter Hasselkus, managing director of BMW (GB), said that if importers were forced to cut prices, British manufacturers would have to follow and that could be disastrous for the industry.

BL would lose even more money and Ford might close its British plants he said. The loss of jobs in an industry where 330,000 workers were made redundant last year would be terrifying, he said.

Dr Hasselkus said the prices of British-built cars were high because manufacturers were not competitive on either productivity or efficiency. He added: "Importers have to price our cars accordingly or we would damage the British car industry and therefore the British economy."

Dr Hasselkus said BMW could reduce its prices in Britain by 10 per cent and still be profitable.

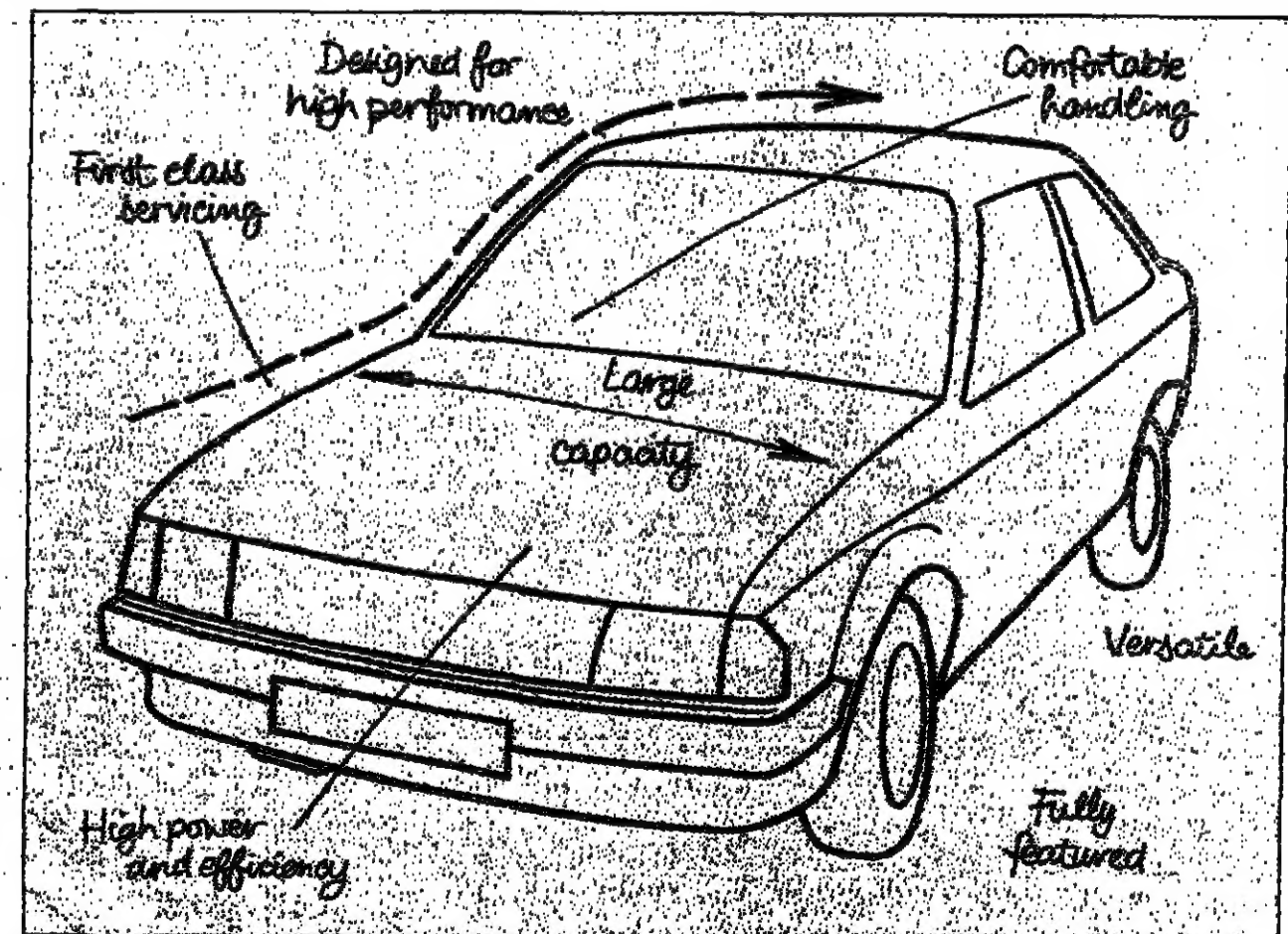
If the European Economic Community insisted on reducing price differentials, the process would have to be spread over five years to minimise dislocation to the whole European car industry.

The following table shows companies the prices of BMW cars in Britain and West Germany. The German prices have been converted to sterling at 4.5 marks to the pound.

Model	U.K.	W. Germany
320	\$7,775	\$4,958
525i	\$11,355	\$6,756
625CS	\$14,555	\$8,956
735i	\$18,155	\$10,789

Dr Hasselkus criticized for unauthorized dealers who tried to import cheap cars from the Continent for looking for profit without responsibility. He said authorized dealers had to provide an after-sales network and without profits from new cars, that would suffer.

Eventually the roads of Britain would be littered with unsafe and unreliable cars. The consumer organizations have not mentioned this aspect of buying cheap cars abroad.



Think of your new word processor as a car and you'll drive a CASE 3000

Choosing a word processor can be like choosing a car. What looks a bargain often turns out to be false economy. You quickly outgrow limited capacity; it doesn't have the features you need; it simply isn't powerful enough.

As with cars, price shouldn't be your only consideration. Your needs should be properly evaluated for now and the future. And that's when you should look at the CASE 3000.

It has all the power, all the features and all the capacity you'll ever want. It's easy to operate, and is part of an integrated model range that supports your company's future growth. And comprehensive service and

training is available throughout the UK, backed by the expertise and resources of CASE, leaders in the technology for the 'Office of the Future'.

For more details contact: COMPUTER AND SYSTEMS ENGINEERING PLC, Woodcock Hill Estate, Harefield Road, Rickmansworth, Herts WD3 3PL, England. Telephone 082 37 76889 Telex 923325

Send me details of CASE 3000

Name _____

Company/Address _____

Telephone _____

Company/Address _____

Telephone _____

Company/Address _____

Telephone _____

CASE WORD PROCESSORS Simply powerful

Whitelaw says no to corporal punishment

LAW AND ORDER

Mr William Whitelaw, Home Secretary, and Mr Patrick Mayhew, Minister of State, Home Office, made plain to Conservative backbenchers that the Government was not proposing to reintroduce corporal punishment.

Mr Philip Holland (Carlton, C) called for its reintroduction as a means of reducing violent crime, particularly offences of mugging in the streets.

Mr Whitelaw said that corporal punishment was abandoned in 1948 and an advisory council in 1950 found that its reintroduction would not help. It would be the wrong way to deal with crime and would be completely contrary to our international obligations and so I am not considering the possibility of its reintroduction.

Mr Edward Taylor (Southend, East, C) said that shorter sentences and allied deterrents had been accompanied by a massive upsurge in crime and also appalling congestion in prisons. Why were ministers not prepared to look at corporal punishment? Since corporal punishment was abolished in the Isle of Man there has been a 78 per cent rise in crimes of violence.

Mr Mayhew: The advisory council which reported in 1950 took account of the views of the public that corporal punishment should be reintroduced. It examined comprehensive research on the subject. As to the

deterrent effect, the council concluded that corporal punishment was not an especially effective deterrent. In many quarters it was thought a good thing when the European Court of Human Rights pronounced against the closed shop last year. We must take care we are not seen to be in favour of the part of the law that favours us.

Mr Warden Flannery (Sheffield Hillsborough, Lab): A powerful section of the Tory Party still believes in 1982 that they can flog mankind into submission. Sir Albert Costa (Folkestone and Hythe, C): His attention has been drawn to a letter sent to the Home Secretary by a constituent of mine suggesting that rape is a dreadful crime that castration is the only proper remedy? Would not that be a punishment fitting the crime?

Mr Mayhew: While sympathising with the sense of abhorrence that inspired what lay behind his constituents suggestion, I think that the dreadful crime that problems that would attend that sentence.

Crime, particularly mugging, has increased in the last few years. The elderly and young children have been the victims of a number of offences committed last year.

She called for measures by which the crime of mugging should be reversed. She urged the reintroduction of discipline in

schools, the strengthening of the family unit and a greater deterrent. The more lightly we treat criminals (she said) the more criminals there would be.

Mr Mayhew said the areas she referred to did have a bearing upon the problem of crime and its increase. The criminal justice Bill gave a substantially wider range of penalties, including custodial and non-custodial penalties to the courts.

Asked whether the punishment currently being imposed by magistrates on violent offenders were proving an effective deterrent, Mr Mayhew said: In combating violent crime, sentencing policy has an important part to play. While the deterrent effect of any sentence is not readily measurable, the Home Secretary has no doubt that magistrates are giving full weight to the principle of deterrence.

Mr Jocelyn Cadbury (Birmingham Northfield, C): In the last few years there has been a rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

Mr Mayhew: I am well aware of the extreme anxiety in many areas of our country at increasing violent crime. Magistrates are drawn from the community, they serve the community, and they live in the community. They are subject to the same pressures as the rest of the community. The House of Commons and the House of Lords, as are all courts.



Holland: Mugging in streets

Mr Alan Clark (Plymouth, Sutton, C) later asked if the Prime Minister has seen the report from the Home Office that muggings in certain inner cities were up by 50 per cent? Did she note also the assertion by the police that these offences were increasing, with gangs of up to 50 young blacks looting shops in broad daylight?

As it is widely believed (he went on) that both the police and the public are becoming more and more anxious about the crime problem, is it not the case that the police are being inhibited by what are loosely termed 'community relations'?

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

All police officers, men and women, must continue to be given equal access to every type of work experience and to training and promotion opportunities for under the Sex Discrimination Act.

Mr Raison: The Home Office inquiry concluded that women police officers were able to make their own decisions about the kind of work they wanted to do. In the past, Chief Constables are able to make their own decisions about the kind of work they wanted to do. In the past, Chief Constables are able to make their own decisions about the kind of work they wanted to do.

Entry refused to only a few visitors

Genuine visitors to Britain were being turned away almost every day of the week. Mr Roy Hattersley, Opposition spokesman on home affairs, said. Since the introduction of the Immigration Act, 1971, the Home Office has been turning away a large number of genuine visitors to Britain. He said that the Home Office was being too strict in its interpretation of the law, and that it was causing a great deal of hardship to genuine visitors to Britain.

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out



Taylor: Upsurge in crime

open, and suggest to him that he makes contact with those suffering in these communities, namely the victims?

Mr Thatcher: I recognise his great concern about increasing mugging and other crime, particularly in London which is revealed this morning. There has been a considerable increase in the number of police in London. We are still not up to full establishment. We are about 1,500 short of full establishment.

Further recruitment will continue because we must have sufficient police to deal with this. That the first three years must do. If that is not enough, then we shall have to consider increasing the establishment.

Mr Ratterley (Birmingham, Sparkbrook, Lab): Every MR with whom I have spoken has constituents who wish to come here and bring their families, but are prevented from doing so with little evidence to justify it.

Mr Raison: The average number of visitors refused entry is only 0.25 per cent. These cases are looked at with the greatest care with an appeal system, and ministerial attention given.

Next week's business

The main business in the House of Commons next week will be Monday: Debate on the arts; Lloyd's Bill, report. Tuesday: Canada Bill, committee. Wednesday: Travellers' Bill (London) Bill, second reading. Thursday: Debate on Welsh Affairs.

Friday: Private Members' Bill: Rating System (Abolition) Bill and Succession to the Crown Bill, second readings.

Saturday: Legal Aid Bill and Marriage (Legal Parents and Stepchildren) Bill, second readings. Constitutional Referendum Bill, committee.

Tuesday: Mental Health (Amendment) Bill, first day. Wednesday: Debates on rural housing, Scottish Highlands, and A520 airbus.

Thursday: Mental Health (Amendment) Bill, report stage, second day.

Canada Bill

The Canada Bill was read a second time last night by 354 votes to 254. Government majority, 250.

Mr Jonathan Aitken (Thames, East, C) said that as someone whose father, grandfather and great-grandfather were Canadian, he was pleased that the House was to get its constitution.

Mr Clinton Davis, an Opposition spokesman of foreign and Commonwealth Affairs, (Hackney, Central, Lab) said although the Opposition was recommending a vote of censure in the House of Commons, it was not the intention of the Opposition to do so.

Mr Richard Luce, Minister of State for Foreign and Commonwealth Affairs, said they must consider that the Federal Parliament passed this resolution by a majority of 246 to 24. The vast majority of the Quebec MPs in the Federal Parliament 72 out of 75 voted in support of the resolution which was passed through the House of Commons.

The Chief Constable has stated that further investigation is being pursued vigorously, that it is the duty of any person who has evidence or information about any relevant matter indicating a crime to come forward immediately and assist the police in the investigation. It is only when we are fully informed that we can be fully investigated. He has also announced that he has requested HM Chief Inspector of Constabulary to appoint a sub-committee of another force to investigate allegations about the way in which the police have treated the detainees.

The 1967 Act tried to solve these problems but failed, first on the grounds of establishing a valuation formula for the purchase of the freehold. Secondly, the Act left many leaseholders in a state of confusion as to their rights and responsibilities. The House of Commons has now passed a resolution which will give leaseholders the right to buy the freehold of their properties.

Mr Dennis Cossam, Opposition spokesman on Northern Ireland (Mansfield, Lab): We agree that only a judicial inquiry can now sort out this serious episode. Our only reservations are for the protection of the innocent who are now older and have wives and families of their own. If they could give evidence with complete anonymity we would be pleased.

Mr Prior: If these innocent people have any allegations or information they should give it to

the police. That could be done in confidence now. It has always worried me that many innocent people can suffer severely with judicial inquiries of this nature. It is only when we reach a serious position as we have now reached that we have to consider the need for a judicial inquiry. Mr. Enoch Powell (South Down, Off. UU): How was he so seriously misled as to the scope and scale of investigation still going on when he took his original decision?

When he considered the form of a future inquiry will be heard in mind, despite the fact that the 1921 type of inquiry, the industrialisation of inventing new ad hoc forms of judicial inquiry?

Mr Prior: The House must consider seriously whether the inquiry or not. I do not think I was ever misled. Since the departmental inquiry was set up, further evidence has been made available and certain allegations have been made, including some made to the police. This put a different complexion on the need for a more extensive inquiry.

But if I underestimated the feeling in Northern Ireland it was in no way concerned with a cover-up.

Leaders clash on pension rises

PM'S QUESTIONS

The Prime Minister repeatedly extended during question time exchanges in the Commons with Mr Michael Foot, Leader of the Opposition, that the value of pensions would be retained in real terms.

Mr Foot tackled her about the meeting she was shortly to have with a delegation from the National Pensioners' Convention steering committee. Would the Prime Minister confirm, he went on, that what her Government did last year was to cut by 3 per cent the real value of the pension?

Will she give an assurance (he asked) that she will restore the value of the pension in the forthcoming budget.

Mr Thatcher: I will not confirm what he says any more than he would necessarily confirm that Labour's last pension increase left the pension well below what it had been. (Interjections). We have a pledge and we stand by it. The value of the pension will be retained in real terms.

We have announced that in so far as it was last year it will be increased the following year and in so far as it was more than that, it would be smoothed out the following year. On the whole, the value of the pension will be retained in real terms.

Mr Foot: Will she study the figures of the pension? Last year was the first time since 1970 that there has been a cut in the value of the pension. The pension is not a good idea to try and pace inflation by making old-age pensioners freeze?

Mr Thatcher: In the first year, the increase in pensions was greater than the increase in inflation. In the second year it was slightly less. We have therefore made a small increase in the pension in the second year.

The pension will retain its value in real terms. I would be grateful if Mr Foot would accept these facts.

On what is spent on fuel, for those on supplementary benefit, a family income supplement, this is greater in real terms than under any previous Government.

Mr Foot: The pensioners know the figures even if they do not see them. The figures from 1970 of the real value of the pension, and she said that she was saying it right and what the pensioners are saying is right.

Mr Thatcher: He heard my reply. What of the facts therein does he dispute? (Interjections). I am saying it right and what the pensioners are saying is right.

Mr David Sioddard (Swindon, Lab): Has she seen the announcement by British Gas of a 10 per cent increase in the price of gas during the current year? This will cause a great deal of hardship to pensioners and others who are already struggling to get by.

Will she, as an act of compassion, withdraw the instruction to the gas board that they must increase prices 10 per cent above the rate of inflation?

Mr Thatcher: British Gas has been selling gas to the domestic

purchaser in the home at or below cost. The profits have largely been coming from industry.

That will not surprise him. He will remember the Labour Government deliberately tipped costs towards industry, and sold domestic gas at a lesser price.

Even with this year's increase, British Gas will only break even on domestic gas. The United Kingdom domestic gas price is now considerably lower than in France or Germany. What we have done about industrial gas is to freeze the price for one year.

This Government through the taxpayer, is providing a larger amount for fuel subsidy than any previous Government.

Mr Kenneth Lewis (Rutland and Stamford, C) during questions on business, said: Many people on our side of the House are concerned about what we think are extravagant demands proposed to be made for increases in gas and electricity prices which we feel will only add to inflation which the Government is trying to keep down and which will make it more difficult to keep salaries and wages in check.

Mr Francis Pym, Leader of the House, it is an important matter but the Prime Minister has said that the domestic user, gas, is sold below price.

Mr Stoddart: The reply of the Prime Minister was callous and uncaring, and bearing in mind the Government is holding wages to a low level, will he not arrange a early debate?

Mr Pym: The Opposition could have a debate in their time. I do not see an opportunity for having time for it in the near future.

How BR can get more investment

If British Railways were to have a future, there had to be modernised labour practices and increased productivity, Mrs Margaret Thatcher, the Prime Minister said during questions.

Mr George Thornton (Liverpool, Garston, C) had asked: In view of the climbdown of British Rail in the last few years, would she give an assurance that unless improvements in productivity and reductions in overmanning are implemented in the near future there will be no further investment in British Rail? (Conservative cheers).

Mr Thatcher: It is too early to judge the results of the railways, but I am sure that they will go into negotiations. If that is not successful, we await the arbitration.

I agree with him. For there to be a future for British Railways it has to be modernised in its

effect was to widen and make even more confiscatory the provisions of the 1987 Act. The Lord Belwin, Under Secretary of State for the Environment, said that it would be inappropriate to reduce the qualifying residence period for tenants to buy freeholds from three years, to which it was reduced in 1980 for one year. That would hardly be sufficient to provide the necessary safeguard against speculation.

The clause to per diem for future leaseholders would be easy to get round but was there sufficient to ensure that the clause was not used to circumvent the provisions of the 1987 Act?

He could see no justification for preventing parties from entering a leasehold arrangement. The provisions for compensation for tenants were appropriate to compulsory purchase under the Leasehold Reform Act.

Tenants of council houses in which the council had only a leasehold interest did not at present have the right to buy. The Government would be looking for an opportunity to introduce the measure as soon as the parliamentary timetable permitted.

He did not believe that leasehold was inherently a bad form of ownership. The changes proposed were neither justified nor desirable.

The amendment to reject second reading was carried by 81 votes to 59, a majority against the Bill.

Lord Gishborough (C) said the

effect was to widen and make even more confiscatory the provisions of the 1987 Act. The Lord Belwin, Under Secretary of State for the Environment, said that it would be inappropriate to reduce the qualifying residence period for tenants to buy freeholds from three years, to which it was reduced in 1980 for one year. That would hardly be sufficient to provide the necessary safeguard against speculation.

The clause to per diem for future leaseholders would be easy to get round but was there sufficient to ensure that the clause was not used to circumvent the provisions of the 1987 Act?

He could see no justification for preventing parties from entering a leasehold arrangement. The provisions for compensation for tenants were appropriate to compulsory purchase under the Leasehold Reform Act.

Tenants of council houses in which the council had only a leasehold interest did not at present have the right to buy. The Government would be looking for an opportunity to introduce the measure as soon as the parliamentary timetable permitted.

He did not believe that leasehold was inherently a bad form of ownership. The changes proposed were neither justified nor desirable.

The amendment to reject second reading was carried by 81 votes to 59, a majority against the Bill.

Lord Gishborough (C) said the

effect was to widen and make even more confiscatory the provisions of the 1987 Act. The Lord Belwin, Under Secretary of State for the Environment, said that it would be inappropriate to reduce the qualifying residence period for tenants to buy freeholds from three years, to which it was reduced in 1980 for one year. That would hardly be sufficient to provide the necessary safeguard against speculation.

The clause to per diem for future leaseholders would be easy to get round but was there sufficient to ensure that the clause was not used to circumvent the provisions of the 1987 Act?

Police files defended as necessary

HOME OFFICE

There was a considerable amount of evidence that the police held files on people who had committed no crime and that it was a serious invasion of their privacy, Mr Robert Kilroy-Silk (Ormskirk, Lab) said during questions on home affairs. He said that the Home Secretary, Mr William Whitelaw, had rejected a suggestion from Mr Bruce Douglas-Mann (Mersey, Lab) and Mr Morden (Lab) that he should call for reports from chief constables to ascertain how many police forces, including their special branches, held files, and showing what proportion of these related to people with no criminal record.

Mr Douglas-Mann asked why files on individuals were not subject to scrutiny or questioning by the Home Office. It is true (he said) that there are special branch files on over a million people. How many MPs are on them? Is the Home Secretary satisfied as to the access to them? How was the Observer able to obtain information about the contents of files on individuals who had done nothing more than to be active as a student in the campaign against the South African rugby tour? Mr Whitelaw: The Special Branch maintain records on individuals where it is necessary to enable

them to carry out the task placed upon them. (Conservative cheers).

Mr Kilroy-Silk asked for an assurance that in any future arrangements for the protection of data there would be access to police files.

Mr Whitelaw: I must reserve the position until I have a statement on data protection. Mr Christopher Price (Leisham, West, Lab): Would he agree that in principle, in data legislation, there should be no difference between access to electronic files held in computer files and access to manual files? Mr Whitelaw: I note what he says. I must ask him to await the statement I will make on this important subject.

Police may get fresh advice on rape cases

The Home Office is considering further guidance to the police on the interviewing of the victims of rape, Mr Timothy Raison, Minister of State, Home Office, said. He had been asked by Mr Michael McNair-Wilson (Newbury, C) to examine whether the Sex Discrimination Act was having an inhibiting effect on the deployment of women police

officers and the duties they performed.

Mr Raison replied: We do not consider that a review is necessary. Chief constables are able to deploy women officers on a wide range of duties.

Mr McNair-Wilson: Before the 1976 Act women police were a specialist department handling crimes involving women and complaints like rape. As a result of the Act, the police have had to become an integrated force and the specialist department has been broken up.

Summerskill: Tact and sympathy

In view of the concerns about officers against women does he not feel this offence should be looked into by women officers? Mr Raison: As an Act does not restrict the availability of officers of either sex for particular classes of police work. It is true that the specialist units have been terminated. The advisory committee on the law of rape, under Mrs Justice Heilbrunn, considered that sympathy and understanding of the victim were more important than their sex.

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

All police officers, men and women, must continue to be given equal access to every type of work experience and to training and promotion opportunities for under the Sex Discrimination Act.

Mr Raison: The Heilbrunn inquiry concluded that women police officers were able to make their own decisions about the kind of work they wanted to do. In the past, Chief Constables are able to make their own decisions about the kind of work they wanted to do.

Entry refused to only a few visitors

Genuine visitors to Britain were being turned away almost every day of the week. Mr Roy Hattersley, Opposition spokesman on home affairs, said. Since the introduction of the Immigration Act, 1971, the Home Office has been turning away a large number of genuine visitors to Britain. He said that the Home Office was being too strict in its interpretation of the law, and that it was causing a great deal of hardship to genuine visitors to Britain.

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

He added that it might be desirable for a woman officer to be present at an interview if the complainant wished it. Dr Shirley Summerskill (Lab): The Home Office has been very anxious about the rise in violent crime, particularly on defenceless old people. There is anxiety that the kind of punishments that are being handed out

Crisis in Zimbabwe

Mugabe youths demand 'Shoot Nkomo'

From Stephen Taylor, Salisbury, Feb 18

Police and army units maintained tight security control over Zimbabwe's main cities today but there was no immediate sign of a backlash against the dismissal of Mr Joshua Nkomo from the Government.

Up to 5,000 demonstrators jogged through the streets of Salisbury this morning chanting and carrying placards calling for Mr Nkomo's imprisonment.

Roadblocks monitored traffic around the capital and Mr Nkomo's political stronghold, Bulawayo, which was reported by sources in the city to be peaceful and subdued.

The Zimbabwe Information Service — an arm of the Ministry of Information — put out a report that in Marandellas, a town east of here, a full-size black coffin had been paraded by demonstrators "to signify the death of Mr Nkomo". The report also said a youth wing of the ruling Zanu (PF) party had called for the "execution" of Mr Nkomo.

Investigations are meanwhile continuing into the possibility of charging Mr Nkomo and other senior members of his party with possessing weapons of war, after the discovery of big arms caches on Patriotic Front farms. Mr Mugabe said yesterday that the dismissals were only political action and that criminal proceedings might be brought against those responsible for the caches.

The dismissals effectively scrapped the coalition between the forces of Nkomo and Mr Mugabe, forged at independence in April 1980. It also raised the prospect of disaffection among Mr Nkomo's Ndebele supporters who comprise about 18 per cent of the population, and even of further faction fighting

which has claimed more than 400 lives since independence. Four leading members of the Government — two ministers and two deputy ministers — survived the purge of those alleged by Mr Mugabe to have been involved in a conspiracy.

Mr Cephas Mape, the Deputy Minister of Manpower, made it known today that he would be staying in the Government. The other three have not revealed their intentions but at least one minister is thought likely to heed Mr Nkomo's call to quit the Cabinet.

The statements and the street demonstrations appeared to be part of a continuing campaign against Mr Nkomo. The *Herald* newspaper in Salisbury gave no coverage today to Mr Nkomo's expressed hope for continued peace. Nor did it publish his rejection of Mr Mugabe's allegation that he had sought South African assistance for a coup at independence. Mr Nkomo dismissed this allegation as "lies".

The newspaper did, however, carry a statement by Mr Dumiso Dabengwa, the former supreme commander of Mr Nkomo's Zimpro force. Mr Dabengwa, who retired last year but has been mentioned by government sources in connexion with the caches, said that the weapons had been concealed, not to launch a coup, but "to protect the Zimpro cadres for their own protection".

He said that the trust between the Nkomo and Mugabe forces, built up at Lancaster House, had broken down soon afterwards. The attempt when the Cabinet met for the first time without him, he said, was "a disaster". He said that the Nkomo forces, built up at Lancaster House, had broken down soon afterwards. The attempt when the Cabinet met for the first time without him, he said, was "a disaster".

News analysis

Deep-rooted conflict split two leaders

From Our Correspondent, Salisbury, Feb 18

The dismissal of Mr Joshua Nkomo from Zimbabwe's government marks a watershed in the country's short history and the end of a long-uneasy alliance between two ill-suited political partners.

Mr Nkomo, the burly father figure of the nationalist movement in Zimbabwe, always looked incongruous alongside Mr Robert Mugabe, the ascetic Marxist who was catapulted to international prominence and unquestioned leadership of the country by the independence elections.

Mr Nkomo was the old-style union official who made it to the top of the political pile through magnetism and muscle. Mr Mugabe was the intellectual who emerged at the end of a power struggle, which was crippling his party, and imposed a sense of resolution and discipline which enabled it to win the 1980 election by a landslide.

If the time has come to write Mr Nkomo's political epitaph, it may be that of the three black leaders who emerged from the Federation of Rhodesia and Nyasaland in 1963, Mr Nkomo was the only one never to lead his country. President Banda of Zambia and President Banda of Malawi were his contemporaries and comrades.

The arms finds which led to his ignominious dismissal this week were clearly an incendiary issue in a country so recently at war but the falling out with Mr Mugabe goes deeper.

The two men have been on opposite political sides for most of their lives. In addition to basic personality differences, the relationship was marked by the nature of their political support — Mr Mugabe drawing allegiance from the Shona-speaking tribes of the east and Mr Nkomo getting his support from their arch-rivals, the Ndebele of the west.

During the long struggle against white rule after Mr Ian Smith's unilateral declaration of independence in November 1965, Mr Mugabe and his Zanu (PF) party believed with some justification that their Zanu guerrillas bore the brunt of the fighting. Mr Nkomo's forces, although sponsored by the Soviet Union and equipped with the latest in Russian weaponry, were never fully committed by their leaders to the conflict.

Zanu leaders suspected that Mr Nkomo was waiting for their guerrillas and the Rhodesians to wear each other out before stepping in and stealing the limelight. This mutual suspicion also characterized the final round of independence talks which began at Lancaster House in London in the autumn of 1979 and on the heels of the Commonwealth summit conference at Lusaka.

Although both Mr Nkomo and Mr Mugabe had joined forces under the Patriotic Front umbrella long before the Lancaster House talks, it was evident during the negotiations that Mr Nkomo was much more willing to compromise than Mr Mugabe. Whenever the 101 days of talks looked as though they were about to collapse, it was invariably because Mr Mugabe was digging in his heels.

At the time it was generally assumed that Mr Nkomo and his supporters would win the elections which finally paved the way to independence and majority rule. In the event it came as a deep shock to a man who regarded himself as one of the founding fathers of the nationalist movement in Africa to be trounced at the polls.

In the light of the traditional suspicion between the groups — and in spite of the clear mandate of the elections — Mr Mugabe's subsequent actions were both magnanimous and politically astute. Mr Nkomo and the Patriotic Front were offered a place in a government of national unity at the same time as Mr Mugabe was extending the hand of reconciliation and friendship to his erstwhile enemies, the whites.

It was amid these events that Zimbabwe was born in an atmosphere of heady optimism which, while never obscuring the underlying tensions, made real for the first time the possibility of a peaceful transfer of power.

That short-lived era of national unity appears to be over. The alliance could not conceal what were essentially tribal and regional tensions. In the months after independence, Patriotic Front supporters came to believe that Mr Nkomo was being denied his share of the limelight.

Through bouts of faction fighting in November, 1980, and February, 1981, between former guerrillas, the suspicion among Patriotic Front members grew that the coalition was merely cosmetic, concealing attempts by Zanu (PF) to consolidate power in such a way that it would never be replaced.

Since then the frequent raising by Mr Mugabe and others of his party of plans to make Zimbabwe a one-party state have done nothing to reassure the concerned. For their part, Zanu (PF) members came increasingly to see Mr Nkomo as an irritant, an aging political hack more concerned with feathering his own nest than establishing an egalitarian society. Eventually fear of an armed uprising by the Ndebele, a warrior nation descended from the Zulu, proved the deciding factor.



News in Pictures: Manuel Barriopedro won first prize in the 1982 World Press Photo Contest with this photograph of Lieutenant Colonel Antonio Tejero on the podium of the Spanish Parliament during his abortive coup attempt last February.

13 crew missing in Cape collision

From Michael Hornsby, Johannesburg, Feb 18

Thirteen of the 190 crew members of the President Kruger, a 2,250-ton South African naval frigate which sank after a pre-dawn collision today, 80 nautical miles south of Cape Point, were still missing tonight after an all-day air and sea rescue operation.

Vice-Admiral Ronald Edwards, the Chief of the Navy, described the accident, which occurred in heavy seas and high winds, as "very sad". He said: "We will continue to search for the missing people until there is no further object in looking for them."

Of the 177 crew who had been rescued, two were reported to have been flown to hospital by helicopter. One had swallowed large amounts of sea water and diesel oil, and the other was suffering from lacerations, exhaustion and shock.

The doomed frigate collided at 4.22am with a fleet replenishment tanker, the 19,000-ton Tafelberg, and sank just over an hour later. Both ships had been taking part in night manoeuvres. The Tafelberg was able to limp home.



The doomed frigate sank in a pre-dawn collision.

The President Kruger was one of three Type 12 frigates bought from Britain under the terms of the Simonstown agreement before it was terminated in the mid-1970s.

The ship was built in the Yarrow yard on the Clyde and launched in 1960. Originally intended for the Royal Navy, it was later sold to the South Africans to help protect the Cape sea route against submarine attack.

With the ending of the Simonstown agreement, however, and the imposition of an embargo on sales of arms to South Africa, the role of the Navy has been largely reduced to inshore patrolling and harbour protection. The Navy has fewer than 5,000 men and only a score or so of vessels.

Describing the accident, Vice-Admiral Edwards said the commander of the frigate realised about 15 minutes after the collision that the hull of his ship was so severely damaged that it could no longer stay afloat and he then gave the order to abandon ship.

Forces cut proposal by Russia

By David Cross

The Soviet Union and its Warsaw Pact allies yesterday submitted what they said was "a new, important initiative" at the long-running and stalled East-West talks to reduce armed forces in central Europe.

The initiative, tabled in Vienna where the so-called Mutual Balanced Forces Reductions talks have been in progress since 1973, was described as a "comprehensive document containing all necessary components of an accord which makes it possible to start practical reduction of the level of military confrontation in the centre of the European continent".

The Soviet News agency Tass also claimed that the draft agreement balanced carefully the security interests of all the states taking part in the Vienna talks: "socialist and capitalist, big and small, direct participants and countries having a special status at the talks."

The document for initial cuts in Soviet and American troops stationed in Europe by 20,000 and 13,000 men respectively. This first step would eventually lead to a reduced total of 900,000 men on each side of the East-West border.

A Warsaw Pact spokesman in Vienna said that the draft had taken into account the views of both sides and included all points where an accord had been reached.

Doubts on Soviet Ship cargo

From John Best

Mystery today surrounded the sinking of a Soviet cargo ship in a North Atlantic storm on Tuesday with the loss of all but five of its 38 crew.

Mr Joe Clark, the Conservative Opposition leader, told reporters yesterday that the strange behaviour of the crew of the 4,200-tonne Mekhanik Tarasov "raises questions" about its cargo.

The crew, led by the captain, waved away a Danish trawler which was in the vicinity about 250 miles east of Newfoundland and which could have made a rescue attempt. Instead they desperately clung to the doomed ship, awaiting a Soviet fish-factory ship which arrived too late.

Earlier, Mr John Roberts, told the Commons that 12 containers of uranium hexafluoride which were to have been shipped to Russia from Canada on board the Mekhanik Tarasov had been sent on board another Soviet vessel.

When it went down, the Mekhanik Tarasov was about 75 miles east of where the Mobil Canada oil rig, Ocean Ranger sank early on Monday with the loss of all 84 men on board.

The Defence Department's rescue coordination centre in Halifax today denied a report that the Mekhanik Tarasov was on its way to help the crew of the Ocean Ranger. It was in fact sailing in the opposite direction.

The coup that failed

Spanish Army in the dock

From Richard Wigg, Madrid, Feb 18

Spain's armed forces have no tradition of obedience to the Government. If the court martial beginning tomorrow in Madrid of three Army generals and 29 other officers, all charged with conspiracy to overthrow the Government, is any indication, the armed forces have accepted somewhat ambiguously the transition to a parliamentary democracy.

Until the coup attempt, the armed forces had accepted the transition to a parliamentary democracy. The Government of Señor Leopoldo Calvo Sotelo, voted into office in the turmoil of the coup aftermath, decided that the bulk of the Army, which had stayed loyal to King Juan Carlos, their Commander-in-Chief, during the night of February 23, should try the *golpistas*. Only if the sentences involve more than three years' imprisonment will disobedience to the civilian government come before Spain's civilian Supreme Court on appeal.

The military prosecutor has demanded 30 years each, the maximum for a *golpe*, for the generals and for Colonel Tejero.

There was much debate inside the army in the months leading up to the trial. A minority of hard-core right-wingers has been notably hailing as martyrs figures like General Milans, the Captain-General of Valencia who declared martial law on February 23, and put his tanks on the streets. Similarly Colonel Tejero has been hailed as a martyr figure by extremist circles.

A majority of the officer corps, described by a leading pro-Government general as "the silent majority, unwilling to be manipulated", remains uneasy about democracy and the break-up of traditional social values, but believes in unity, discipline and obedience to the service hierarchy. On the night of the coup they were against the general declared swiftly for

the King, expressing the "anxiety" of the officers for unity — or, more bluntly, to be once again on the winning side.

Brother officers from all the military regions will be present as observers at the trial, and the conduct of General Milans, a skilled and admired commander from a well-connected family, could be decisive. If found guilty, he risks dismissal from the Army, and could become a dangerous rallying point.

More explosive, however, will be the expected attempt by the defence to invoke the King as a supposed ally of the conspirators. In his New Year address to the armed forces, King Juan Carlos, whose conduct on the night of the coup was decisive, described as a "calumnious" extreme right-wing campaign to involve him in a coup against democracy. He expressed his confidence that the trial would reveal the truth.

Unfortunately, the king lacks in critical times the aristocracy's clear support. Señor Alberto Oliart, the Defence Minister, has sent 75,000 copies of the address to unit commanders, urging them to abide by the trial verdict.

Worries about the Government's failure to bring to trial more than one civilian — Señor Juan García, a former Franco trade union boss is well-known but hardly an important figure — have been confirmed by the prosecutor's final charges, handed to the defence last week. This failure helps the extreme right to contend that "the Army is officers". Constitutionalists, however, have legitimately complained that some influential civilians have been permitted to remain in the shadows of the trial.

Cautious optimism in Rome

Italian terrorist strikes are falling off

From Peter Nichols, Rome, Feb 18

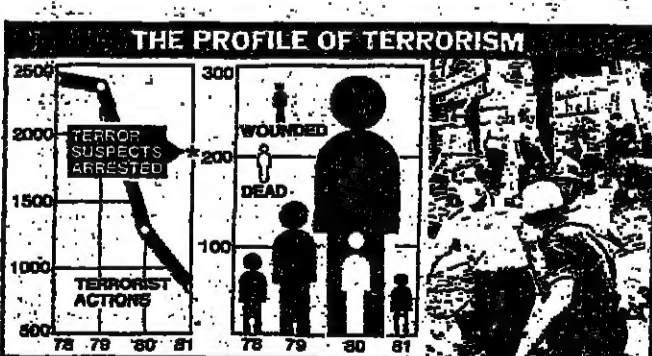
The number of terrorists and suspected terrorists held in Italian prisons is now 1,869. Another 310 are being hunted.

Some 239 were arrested between December 17 and February 15 when 51 terrorists based throughout the country were discovered including the Padua flat in which the Red Brigades were holding Brigadier-General James Dooler, Deputy Chief of Staff at the Verona Nato base. He was the first non-Italian victim of the terrorists.

This extraordinary success at the turn of the year helped to concentrate attention on the real prospects of reducing terrorism which the Government still approaches with caution, despite the statistics giving some grounds for optimism.

Figures compiled by the Ministry of the Interior show that the number of terrorist actions each year has been falling since 1979. In that year there were 2,366 incidents compared to 2,395 in the preceding year. In 1980 the drop was sharper, to 1,264. The 1981 total was 849.

The number of dead and wounded reflect a different picture: In 1978 there were 25 dead and 99 hurt. In 1979 the figures were 22 and 149 respectively but 1980 shows a huge increase — 120 dead and 288 injured most of whom were victims of the bombing of Bologna railway station which killed 80 people. Last year's total was 26 dead and 70 injured.



only accept the prisoner's own description of his allegiance. Last year, 113 different terrorist organisations claimed responsibility for 229 of the 849 terrorist actions. Of the 113 groups some 91 were sent as belonging to the extreme left and most of the rest to the extreme right.

The Red Brigades were, however, well ahead of any other organisation with 61 actions including many of the most important ones, but their commanding position has been weakened by internal differences, less toughness, and a growing readiness to give evidence instead of claiming simply to be prisoners of war.

The Red Brigades claim the largest share of kidnappings marked by political aims. They started the series in 1973 by seizing Signor Italo Mascherini, an executive of the Siemens company in

NEWS IN SUMMARY

Greeks call Kyprianou to Athens

Athens. — Mr Andreas Papandreu, the Greek Prime Minister, asked President Kyprianou of Cyprus to come to Athens urgently (Mario Modiano writes). The reason was not disclosed. Mr Kyprianou said he would fly to Athens first thing this morning.

An official press release later disclosed that information about probable developments in the Cyprus issue, had made necessary an urgent meeting of the two men. Their talks would continue until tomorrow.

What adds to the mystery is that President Kyprianou spent a week in Athens until January 28 after comprehensive talks here and Mr Papandreu himself is due to visit Cyprus at the end of this month. Originally, the Greek Prime Minister was going to Cyprus at the beginning of this month but his trip was put back, according to press speculation for fear of some Turkish-Cypriot reaction, such as a declaration of an independent state in northern Cyprus.

Australian doubt on carrier sale

Reports of a further delay over an Australian Government decision to buy the British aircraft carrier HMS *Invincible* have been greeted with stoicism in Whitehall (Henry Stanhope writes).

The fresh delay has been caused by scepticism among Australian backbenchers who are querying the need to buy *Invincible* — offered at what Britain considers a bargain £175m.

Stiff upper lip for Turks

Ankara. — The Turkish Government has ordered all male state employees to shave daily and not to grow beards or drooping moustaches, and it told women workers to keep their hair neatly combed and wear stockings, but never short or silk skirts.

The regulations appeared to reflect the military regime's desire not only for discipline but to eradicate political or religious symbols associated with hairstyles or dress.

Soviet denial on germs

Moscow. — The Soviet Union, in a note distributed at the European Security Review Conference, denied it ever used chemical weapons "anywhere under any circumstances or by any means" (Richard Wigg writes). American charges that it is using chemical and bacteriological weapons in central and South-east Asia were dismissed as "a monstrous accusation, false from beginning to end."

Oilmen kidnapped in Lebanon

Sidon. — Two oil company executives, one of them an American named as Thomas Anderson, deputy director of the petroleum distribution company Medco, were abducted by gunmen while on their way to an oil refinery near this south Lebanese port.

Kidnapped with him was Chahab Ali Ahmad. Company officials said the refinery was closed in protest and the workers sent home. The police had no idea who the kidnappers were.

Warsaw leaders caught on hop by swoop report

From Roger Boyes, Warsaw, Feb 13

The Polish authorities were baffled today by the sharp Western response to a report of a routine police swoop that was originally intended to do little more than remind the population of the need for curfew law and give the increasingly bored troops a renewed sense of purpose.

As news filtered through of the United States State Department's disapproval and the angry response of Western delegates at the Madrid conference on European security, Polish officials began to call in journalists (a rare occurrence) to find out what the fuss was about.

The problem is the result of a two-day operation at the end of last week code-named "tranquility" which coincided with a general show of military and police force in the capital.

The immediate aim was to remind the people of the strength of the security units in case any protest was planned on February 13 to mark the two months of martial law.

According to a PAP news agency report, the checking of 51,000 shops, 60,000 vehicles and 3,500 "criminal haunts" (a somewhat vague category) demonstrated "that the observance of martial law regulations is not as good as it might be".

There were 145,000 infringements, 99,000 of which had their identity checked and were "cautioned" while another 29,000 were "reminded of their duties". In the latter category was the Times correspondent who had forgotten one of the three documents that journalists are supposed to carry with them.

The real Western concern, one Polish official told me, having listened to Radio Free Europe the previous evening, was a figure of 3,500 "detentions" published by PAP.

In fact these people were held for a matter of hours, the majority of them for traffic offences. The International Television News correspondent, Mr John Underwood, for example, was taken to a militia station after driving the wrong way down a one-way street and freed soon afterwards.

Some 4,000 cases have been referred to minor offences courts (such as being insolent to a policeman or having faulty brakes), 614 of which involved a direct infringement of martial law. This figure, officials say, refers largely to curfew violations or the sale of alcohol. They concede, however, that another figure — 252 people suspected of committing crimes — might include some Solidarity activists.

What seems to have happened is that Poland has fallen victim to its own newly reinstated practice of exaggerating the statistics of success, whether it be in coal production or the achievements of security forces.

At the end of the operation, patrols had to submit numbers of people whom they had stopped and questioned and in many cases they rather oversteered the figures, lest they be accused of poor vigilance.

The problem, one Western diplomat said here today, is that such statements confuse the theatre of martial law with its reality. The reality lies in the rarely trumpeted announcements of summary trials. Yesterday, another three mine workers were sentenced to three and a half years' jail each for trying to organize a work stoppage. There is also an increasing concern, especially in the Baltic region, about the resurgence of organized opposition.

According to unofficial sources, eight telegraph transmitters have been stolen from a marine enterprise near Gdansk, with the intention of establishing clandestine contacts with Warsaw.

Although Solidarity leaders still underground — above all Mr Zbigniew Bujak — have urged the opposition to operate in a "sophisticated" way, the opposition is evidently building itself a sophisticated infrastructure.

The suspended organizations have not withered away. Thus the suspended students' union, NZS, is understood to be organizing a demonstration in Warsaw. The Polish Government has ordered price cuts for a number of dairy products including cheese and butter, the official PAP news agency reported.

It did not give the new prices for the commodities which were nearly quadrupled at the beginning of the year. But it said that reductions would mean higher government subsidies. The agency also reported a reduction in the prices of television sets giving as an example the colour set which had been reduced by about 26 per cent to £390.

□ Copenhagen: Denmark has refused to authorize the release of 10,000 balloons — carrying messages from the Paris offices of Solidarity — which Poland said were from a Danish ship in the Baltic Sea.

□ New York: American bankers, encouraged by interest payments made so far by Poland, may allow the Poles to re-schedule their 1981 commercial bank debt soon, banking sources said.

American social issues, 3

Congress challenge on black voting rights

This article on black voting rights by Peter David is the last of three by Our Washington Staff on social issues facing Congress. The first, on housing, appeared on February 5; the second, on abortion, appeared on February 9.

President Reagan's troubled relationship with black leaders will be subjected to new strains in the coming weeks when Congress begins debate on an issue most Americans believe was settled more than 100 years ago — the right of black people to vote.

A powerful group of conservative Republicans in the Senate has begun a campaign to stop Congress agreeing to renew and strengthen the 1965 Voting Rights Act, a landmark law which forced the reluctant Southern states to allow blacks to exercise their constitutional franchise.

Parts of the Act expire in August and the House of Representatives has already voted 389 to 24 in favour of a Bill renewing the Act and making it easier to prove violations of minority voting rights.

More than 60 senators have also promised to support the Bill but an influential minority, supported by the President, wants to modify it and relax some of the safeguards.

The Senate judiciary committee, which began hearings on the Bill this month, has already been the scene of sharp clashes between liberal senators and Administration officials. Senator Edward Kennedy, who wants the Senate to adopt the House Bill without modifications, accused the Administration of undermining civil rights and said the changes it sought would turn the Act into "an empty shell".

The differences between the two sides centre not on the principle of fair voting but on a technical debate about how the Act should work. The technical differences, however, reflect deep political differences between the Northern and Southern states and philosophical disagreements between liberals and conservatives about the definition of racial discrimination.

Blacks won the right to vote in 1870 under the

Fifteenth Amendment, but in the South many were prevented from doing so for nearly a century by intimidation, poll taxes and fraudulent literacy tests.

Goaded by violent civil rights protests, President Johnson introduced the Voting Rights Act in 1965. It abolished the literacy tests and other barriers to black voting. It also stripped six Southern states, where voting had been most restricted, of their authority to make even minor changes in election procedures without "pre-clearance" from the Federal Government.

The House Bill would continue this pre-clearance clause and has infuriated Southern Republicans. They say the Bill treats the South as if it were still a conquered territory, and they find it humiliating to have to ask Washington to approve such details as the position of polling booths in local elections.

Senator Strom Thurmond, the South Carolina Republican who chairs the judiciary committee, wants to enable states with clean voting records to free themselves from federal surveillance. Civil rights leaders vehemently oppose such a change. They fear that the Southern states, left to their own devices, would reorganize their voting districts to swamp the politically potent black vote in large white majorities.

The President and his Senate allies have another more fundamental objection to the House Bill. The new Bill defines voting discrimination as a practice that has the "effect of discriminating against minorities. President Reagan believes it should be necessary to prove that voting practices "intend" to discriminate.

Both sides concede the Voting Rights Act has been an outstanding success in encouraging blacks to vote. Promising to renew the Act last November, President Reagan said: "The right to vote is the crown jewel of American liberties and we will not see its lustre diminished."

But it is hard to see how Congress can agree on a Bill which could satisfy both civil rights groups and the conservative Republicans.

Hopes rise for UN's Afghan initiative

From Zoriana Pysariwsky New York, Feb 18

The long belated United Nations initiative on Afghanistan may be heading for a breakthrough.

Intimations of willingness from all the parties involved to cast aside their uncompromising positions and begin serious negotiations have gone far enough to prompt the United Nations to draw up plans for the convening of so-called proximity talks with Pakistan and Iran, on the one hand, and the Soviet-backed Kabul Government on the other.

The timing of such talks is still unsorted but discussions about them are viewed with guarded optimism. Nevertheless, the new situation appears to have encouraged Señor Javier Perez de Cuellar, the United Nations Secretary-General, to speak openly about real prospects for a meeting of minds.

In a recent interview he expressed confidence that immediately after a tour of the region by his special representative on Afghanistan, expected to be named on Friday, attention could be focused on the arrangements for the proximity talks.

Privately United Nations officials are saying that the immediate task of the special representative will be to work out an agenda which will deal with two issues critical for an overall settlement — complete withdrawal of Soviet occupying troops, and a guarantee of Afghanistan's sovereignty.



Papal embrace: A child greeting the Pope on his arrival in Malabo.

Pope thanks his persecuted faithful

From Godfrey Morrison, Libreville, Gabon, Feb 18

The Pope flew to Malabo, Equatorial Guinea, today to thank the faithful in one of Africa's most Catholic countries for remaining steadfast in the face of horrific persecution and to offer the present Government his church's cooperation.

African papal sources said that the Pope's visit to Equatorial Guinea was regarded by him as one of his most important visits since the church there had suffered grievously during the 11 years rule of President Francisco Macias Nguema.

During the Macias presidency hundreds of people died and all Roman Catholic

missionaries were expelled. Thousands of people were sent into forced labour in the cocoa plantations and 50,000 foreigners, most of them Nigerians, were deported.

Macias Nguema was overthrown in 1979 by his nephew Colonel Teodoro Obiang Nguema, who now heads a military Government that is trying to rebuild the country's ravaged economy.

On his arrival in Malabo, the Pope told him: "I am sure that the moral reserves of the Guinean people will bring about a climate of mutual collaboration that will implant the conditions of a proper morality, both public

and private, and lead to a real spiritual and material progress."

A cheering crowd of 10,000 people greeted the Pope on his arrival in Equatorial Guinea, the last country of his four-nation African tour.

The Pope's words of encouragement will undoubtedly come as a great boost for the military Government whose efforts to reestablish normality in this small country of only about 350,000 people — 90 per cent of whom are Catholics — has not been helped by the world recession.

Only Idi Amin of Uganda rivalled Macias Nguema, who

was executed shortly after the coup which overthrew him, as an African tyrant.

The former President was certainly mentally unbalanced during the later stages of his rule, being widely credited with practising cannibalism. Among his many despicable acts were mass murders, the murder by defecation of at least one of his ministers, and building a wall around Malabo Cathedral to prevent Catholics worshipping there.

The Pope made a particular point of expressing confidence in Bishop Rafael Marizne who was exiled by Macias Nguema in 1972.

Bacteria may help to shrink computers

From Christopher Thomas New York, Feb 18

The speed of technological advance in the United States is threatening to make the silicon chip start showing its age. Scientists are now talking about growing computer components in a test tube.

Already a few laboratories are experimenting with the idea of combining electronics and genetic engineering to produce computer parts from bacteria.

The result would be a computer much smaller and much more powerful than anything in existence today. Researchers are predicting a device the size of a football with the capacity of a cray, the most powerful computer available — although the hypothesis is probably at least 20 years from reality.

The smallest dimension at present is about one micron, a millionth of a metre. Advocates of the chemical approach believe that molecular elements will form the breakthrough — so smaller computers. Mr Forrest Carter, head of molecular electronics at the naval research laboratory in Washington, said that hundreds of molecular elements could fit a line one micron in length.

IBM's research centre has synthesised a molecule which two protons and two electrons — components of an atom's nucleus — can shift position.

This is Thomas. One day, he might win the Nobel Prize. Or perhaps he'll even get a job. (Anything's possible, after all.)

But for two hours last Autumn, all his glorious futures hung in the balance.

He contracted an infection. His temperature soared and he fell into convulsions.

Before we got together with British Telecom, four hours might elapse between the development of serious symptoms and a patient's admission to hospital.

Now, thanks to the national radio paging system, a doctor can be alerted to an emergency by a 'bleep' carried about his person, enabling him to save vital minutes in the treatment of serious illness.

So it was with Thomas. His GP was at his side within an hour, and a potentially-fatal situation defused.

One day, he'll know enough words to thank his lucky stars.

Meanwhile, it's hard to resist raising

an eyebrow at those who depict the microchip as the harbinger of a new Dark Age, in which honest flesh and blood will be surplus to requirements.

For there's nothing inherently sinister about a silicon chip. It is, after all, merely a slave. It does what it's told.

We tell ours, among other things, to train pilots in our flight simulators; to entertain us through our television and recorded music systems; and to take the drudgery out of office work through our advanced, desktop Teleputer terminals.

In fact, Thomas will bump into us in all sorts of unexpected places as he grows up.

And we believe that, thanks to us, his world will be rather better than the one he almost left, last September.

 REDIFFUSION

A MICROCHIP GAVE THIS MAN A FUTURE.



WITH A TURNOVER OF £250M, REDIFFUSION IS A LEADING NAME IN BRITISH ELECTRONICS. IF YOU WOULD LIKE TO KNOW MORE ABOUT US WRITE FOR A BROCHURE TO: GROUP PUBLIC RELATIONS INCLUSIVE, REDIFFUSION LTD, CANTON WAY, LONDON SW15 2LS.

NEWS IN SUMMARY

Oil victims stage a sit-in

Madrid.—Forty people suffering from the effects of Spain's nine-month oil toxic cooking oil tragedy, or members of their families, began a sit-in in a church at Reinos, near Santander on the Cantabrian coast (Richard Wigg writes).

They are demanding swift payment of full assistance to the victims, including children under 16, as well as stricter application generally of food safety regulations. They described their sit-in as indefinite and in no way connected with a similar protest in Madrid churches last weekend.

In Parliament, the Socialist Party urged the Government to order the official clinical commission investigating the disaster to study the effectiveness of acupuncture and homeopathic treatment and to pass the results on to the victims.

Football star out of danger

Hanover — Uli Hoessgen, general manager of Bayern Munich, the West German football league champions, is in the intensive care unit of a hospital here after an air crash in which his two companions were killed. Staff said, however, that his life was no longer in danger. The twin-engined aircraft he was in crashed in fog 10 miles from Hanover airport after flying from Frankfurt.

Hoessgen, aged 30, a member of the national side which won the 1972 European championship and 1974 World Cup, was coming to watch last night's international game against Portugal.

Top table for England's team

All five English players look set to qualify for the final section in the West European zonal tournament in Marbella, Spain. In Group A Nigel Short confirmed his hold on the lead by beating McNab of Scotland in round nine on Wednesday (Harry Colombeck writes). He now has seven points and is followed by van der Wiel (Holland) 6, Ligterink (Holland) 6, and Nunn (England) 5.

Results in round nine: Short 1, McNab 0; Nunn 1, Ligterink 0; van der Wiel 1, Colombeck 0; Hoessgen 1, Hoessgen 0; Hoessgen 1, Hoessgen 0.

Jonathan Meston of England likewise retained his lead in Group B and after beating Klauner (Luxembourg) he has a fine score of seven points out of eight.

Results in round nine: Meston 1, Klauner 0; Meston 1, Klauner 0; Meston 1, Klauner 0.

Clue in shoe to nine killings

Tegucigalpa. — A cigarette packet found on one of the nine bodies recently discovered in a common grave linked the killings with the Honduran secret police, Dr Luis Vidal Ramon, in charge of the post-mortem examinations, said.

The packet in a shoe had this message: "To Carmen from Marcus: I am being held in the DIN (secret police headquarters)." The parents of Marcos Rolando Navarro, arrested three months ago, claim this is their son.

Fire cripples atom plant

Stockholm.—A fire at a nuclear power station outside Oskarshamn, Sweden, extinguished after 30 minutes but the reactor will be out of action for several weeks, an official said. There was no risk of any radioactive leakage. "The loss of power will cost us £110,000 a day."

The fire started in the turbine hall and, after personnel were evacuated, was put out with carbon dioxide from the sprinkler system.

Girl driver executed

Peking — A woman taxi driver, Yao Jinyun, aged 23, who killed five people and injured 18 others when she deliberately drove her vehicle into a crowd in Peking last month has been executed.

Syria preparing to attack, Sharon claims

From Christopher Walker, Jerusalem, Feb 18

A claim last night by Mr Ariel Sharon the Israeli Defence Minister, that Syria is preparing to launch a war against Israel has increased apprehension among Western diplomats that the Israeli Army will soon stage a military operation in the north.

During a 35-minute interview on television, Mr Sharon combined his warning about Syria with a description of what he claimed was the growing military and political strength of the Palestinian guerrillas in southern Lebanon.

He claimed the high state of Israeli military alert, in operation since December, was justified by the security situation with the Palestinians and the Syrians. He then added: "Syria itself is preparing for war, and I am not talking about rumours, I am talking about concrete facts."

Questioned by Israeli journalists about the possibility of a new war in Lebanon — a subject which receives daily coverage in the press here — Mr Sharon replied: "We will not initiate a war, this is a clear decision of the Government. But it could be that war will be forced upon us."

The Defence Minister is the Cabinet member named most frequently in press and political speculation as pressing hardest for a Israeli military thrust on a larger scale than the 1978 invasion of southern Lebanon. He has recently met leaders of the Lebanese Christians in Beirut to coordinate plans.

Mr Sharon spelt out Israel's position, disputed by American officials, that the July, 1981, ceasefire related to the Lebanese border, but to any other sort of Palestinian guerrilla operation directed against Israel from inside Lebanon.

He used the occasion to publicly rebuke the statistics of the numbers of Israelis and Jews in Europe.

Palestinians divided

Israelis are spectators in Arab power struggle

From Our Own Correspondent, Jerusalem, Feb 18

An unprecedented wave of Islamic fervour among young Palestinians in the occupied West Bank and Gaza Strip is splitting local opposition to the Israeli occupation. The PLO, the Palestinian Liberation Organisation (PLO) since the Israeli occupation 15 years ago.

There have been a number of violent clashes over the past month between the supporters and the new breed of Muslim fundamentalists. These have resulted in the self-imposed closure for a month of the largest West Bank university at Nablus, the serious injury of a PLO lecturer forced to jump from a third-floor window after being branded an "enemy of God" and the burning of a library in Gaza closely identified with the PLO.

The Beirut-based Voice of Palestine radio station has already broadcast calls for unity among the 1,200,000 Arab inhabitants of the occupied territories and has expressed satisfaction that the new phenomenon is proving more divisive than the government-supported leagues of rural Palestinians.

The sudden upsurge of fundamentalism is something that is really dangerous for us," explained Mr Ibrahim Karzumi, director of the PLO Palestine Press Service in east Jerusalem. "Under the guise of religion, a wedge is being driven between the Palestinians. The real aim of the revivalists is to challenge the leadership of the PLO."

The most telling evidence of the Islamic revival was to be found on the 2,000-strong campus of Bir Zeit, the oldest West Bank university which was closed by military order this week for two months after clashes between students and an Israeli official. There was no Islamic student body before the

Iranian revolution, in 1978, but today the so-called Islamic bloc (dominated by the semi-clandestine Muslim Brotherhood) holds more than 40 per cent of votes on the student council.

The leader of the university's Muslim revival is Mr Samer Nimr, a bearded 21-year-old student of Middle East politics who lives in a squalid refugee camp near Nablus. He told me yesterday: "The reason why West Bankers are turning to Islam is the bankruptcy of all the other solutions to the Arab problem tried over the past 100 years. And the PLO is one of those."

Mr Nimr, whose fierce rhetoric and rigid views visibly frighten many members of the academic staff, is opposed to mixing male and female students in classes, and to the recent influx of such Western influences as alcohol. He remains firmly opposed to Israel, but he is striving for a wide Islamic state in the Middle East based on the Koran rather than the narrow, secular state of Palestine sought by supporters of the PLO.

The Islamic revival has had a marked effect on local Arab society. Many of the young men at Bir Zeit and other universities now wear beards while hundreds of women students have abandoned Western clothing to return to long dresses and the traditional headscarf.

An Arab woman science lecturer at Bir Zeit outlined some of the problems facing the university. "Already I have been told by some of my male pupils that they do not want to be taught by a woman any more. Attempts are being made to interfere with the curriculum. When I tried to teach Darwin's theory of evolution, I was stopped by the Islamic militants. I thought that they were going to kill me."

There was democracy we didn't fight even the communists. We never resorted to arms if we were defeated in elections."

The Brotherhood had as much right to a political role in Syria as the Christian Democrats in any European country. It was determined to remain democratic and avoid at all costs a repetition of events in Iran.

Mr Hashim is encouraged by the latest information from Syria. The town of Ariha, he says, where the road north from Hama crosses the east-west road from Aleppo to Latakia, is practically under Muslim Brotherhood control.

Mr Hashim is bitter about the lack of attention paid by the West to events in Syria compared to Poland.

"The people who are dying are the best we have —"

Damascus blast 'a riposte'

By Edward Mortimer

The explosion yesterday at Mr Ahmad Iskander's Information Ministry in Damascus, has been described by the Muslim Brotherhood as a blistering riposte to the minister's claims that the Brotherhood had been suppressed.

A representative of the Brotherhood in London, who uses the Name of Ziad Hashim, also said his leaders in Syria had telephoned him to complain about a leading article in *The Times* last Monday which said the declared aim of the Muslim Brotherhood was to establish a fundamentalist Islamic state.

He said the Brotherhood was fighting the regime of President Assad as part of a broad alliance, including Muslim, secular and Christian groups, with a view to reintroducing democracy in Syria.

Mr Hashim, said: "When

there was democracy we didn't fight even the communists. We never resorted to arms if we were defeated in elections."

The Brotherhood had as much right to a political role in Syria as the Christian Democrats in any European country. It was determined to remain democratic and avoid at all costs a repetition of events in Iran.

Mr Hashim is encouraged by the latest information from Syria. The town of Ariha, he says, where the road north from Hama crosses the east-west road from Aleppo to Latakia, is practically under Muslim Brotherhood control.

Mr Hashim is bitter about the lack of attention paid by the West to events in Syria compared to Poland.

"The people who are dying are the best we have —"

doctors, teachers, engineers. We are the Shia like the Iranians: we have no love of martyrdom for its own sake. We want to enjoy life."

In Hama, he claims, the revolt was a direct reaction to ruthless search operations started by the Government last November. "They come with lists of wanted people, but only the family names, so that often they get the wrong person. And when his house is pointed out to them, they don't knock on the door. They throw a grenade into the house, attack it with machine guns and rockets, and then ask questions afterwards."

They killed about 100 people this way in December and January. We had started arming the people in Hama 18 months ago, but we told them not to move, even if they saw a Muslim Brother being killed, until the order was given."



Deng returns to duty

Vice-Chairman Deng Xiaoping (right) was seen in public for the first time in more than five weeks when he met Prince Norodom Sihanouk, the deposed Cambodian leader, who presented him with the flowers. (David Bonavia writes from Peking)

Mr Deng said that he had been "taking rest" and "efficiency" quelled speculation that he had been removed from his positions in the Chinese leadership, though he is now officially described as working in the "second rank". The problems he faces in his plan to prune the Government bureaucracy, and purge unsuitable party cadres, are thought to be still serious.

Peking television showed Mr Deng, evidently healthy but feeling his 77 years, greet Prince Sihanouk and tell him that the present situation in China was "one of unprecedented stability".

Because of this, Mr Deng added, and because of the "continuity of policies in recent years", China could come to grips with bureaucratic overlapping and over-staffing.

Observers believe the plan for heavy cuts in official jobs has aroused much alarm and resentment among the country's governing elite, who are worried about the loss of their privileges.

Mr Deng also said that the advanced age of many functionaries had become a pressing matter. "We are determined to take it as a revolution of course, this is a revolution in the administrative structure, not a revolution against anyone."

"It is going very smoothly. I think the job can be completed much earlier than expected". Plans are already in hand to merge a number of government departments and ministries, he said.

On Cambodia, Mr Deng said that he hoped the three main resistance movements — the Khmer Rouge, the anti-Communist forces led by Mr Son Sant and the much smaller forces loyal to Prince Sihanouk — would "persist in unity and achieve positive results" in the struggle against Vietnamese occupation.

Detainee held in mental ward

From Michael Hornsby, Johannesburg, Feb 18

A leading black trade unionist, Thosamile Gqweta, has been admitted to the psychiatric ward of a Johannesburg hospital after being imprisoned and interrogated for more than two months by security police.

Mr Gqweta was visited by his four-year-old daughter, Amanda.

A spokesman for Mr Gqweta's lawyer, who is not allowed to visit him, told *The Times*: "He seems to be very depressed, and suffers from mania and insomnia. He also trembles quite a lot and wanders in his speech. There is no doubt that this is due to the conditions in which he is being held by the police."

Arrested early in December, Mr Gqweta was soon transferred to security police headquarters at John Vorster Square in Johannesburg where he was held under the notorious Section Six of the Terrorism Act. This permits the police to hold people for interrogation indefinitely without having to justify it in court.

Mr Gqweta, who is 29, was



Mixed welcome: Señor Francisco Fiallos Navarro, the Nicaraguan Ambassador in Washington, leaving the White House after presenting his credentials to President Reagan this week. The President told him firmly that Nicaragua was "inviting alien influences and philosophies into the hemisphere." "The Ambassador replied that his country will go its own way and take help from its friends where it finds them."

Argentine protest at kidnap

From Our Correspondent, Buenos Aires, Feb 18

Political parties here last night called for a thorough investigation of the kidnapping and murder of a woman, and deplored police action which they said disrupted a meeting of the General Confederation of Labour (CGT) that evening.

The woman, Señora Ana Maria Martinez, a member of the disbanded Socialist Workers' Party, was seized while out shopping on February 4, by a man and a woman in a Ford Falcon car. The Interior Ministry said last night that she had been found dead in the Tigre area of Buenos Aires on February 12.

Señor Perette, the former Argentine Vice-President who is a radical leader, said that the multi-party meeting yesterday condemned the kidnapping and demanded the most thorough investigation of the affair.

Señor Perette said that the parties also condemned the surrounding by police of the CGT headquarters in Buenos Aires last night just before labour leaders were to hold a meeting. The CGT said that the disruption of the meeting showed the "true repressive face of the Government."

The union leaders, who are working out a "mobilisation" plan to fight the Government's economic policies, said power and telephones went off at the CGT headquarters just before the meeting was due to start.

Raiders pull out of Thailand

From David Watts, Singapore, Feb 18

A strong force of Vietnamese and Heng Samrin troops withdrew from Thailand and Cambodia ended in a Vietnamese withdrawal offer of a partial withdrawal of Vietnamese forces from Cambodia should proposed talks with Thailand on the stabilisation of the Thai-Cambodian border prove fruitful.

The Thai have been expecting further incursions by the Vietnamese and Heng Samrin troops in Cambodia as the Khmer Rouge fighting forces have been pushed back to the Thai border. Unusually large numbers of Khmer Rouge troops have been reported in sight of the Thai border by diplomats visiting the area over the past two days.

This latest incident comes against a background of fresh moves to break the impasse between the countries of the Association of South-East Asian Nations (ASEAN) and Vietnam over the presence of Hanoi's troops in Cambodia.



The ministers assured Thailand that Vietnamese forces "in no way threaten Thailand's security," and said that they were ready to talk to Bangkok about all matters of common concern.

Stabilisation normally means to the Indo-Chinese countries the withdrawal of support for the Khmer Rouge. Support for the

El Salvador refugees

Children ailing in lice-infested camp

From Paul Eilman, Santa Tecla, El Salvador, Feb 18

"We were scared of the soldiers. We were scared of everything," explained Amelia, a 12-year-old orphan with bigger responsibilities than most adults could shoulder. "That's why we came here."

Amelia, her nine-year-old sister and her two brothers, aged four and seven, are among nearly 1,000 people who fled to the smoky, lice-infested camp on the edge of Santa Tecla after the war came to their village nine months ago.

She grows quickly when asked who looks after the family, who does the cooking and washing. "I do, of course." The children lost both their parents a year ago and were living alone when the war uprooted them from their home.

Not all of El Salvador's refugees have fled from government forces. Many are bitterly opposed to the guerrillas, especially if they have relatives serving in the security forces.

Most of the inhabitants of the camp at Santa Tecla, 10 miles south-east of San Salvador, originally came from the area round Suchitoto, a town 20 miles to the north which has seen some of the bitterest fighting.

As the war intensifies and spreads, the refugee problem is threatening to overwhelm the agencies trying to cope with it.

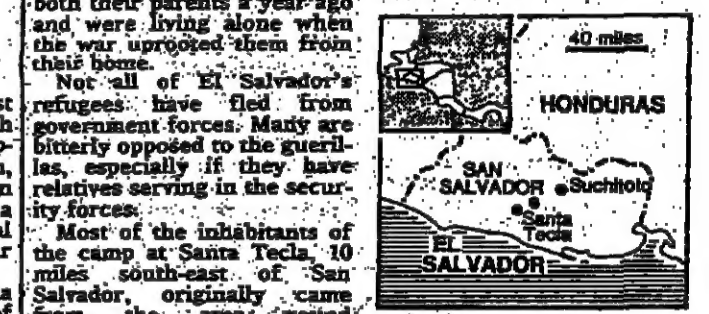
Estimates of the number of refugees among El Salvador's population of 4.5 million vary. The United States Embassy puts the total at about 200,000, but relief agencies put it at some 500,000. This includes peasants who have fled into Honduras.

It is often only the lucky ones who find refuge in organised camps. Relief workers estimate that about 72,000 people have come into the Santa Tecla area, most of them to live as squatters in shacks on the fringe of the town.

Those for whom space has been found in the camp lead tedious lives, centred mostly on its sole source of water, a pipe which the municipality turns on for one hour a day.

Otherwise, they sit at the entrances to the 12ft square shacks, which the makeshift huts are divided.

The camp is run by the Salvadorean Green Cross founded by young idealists who felt that the Red Cross was reluctant to risk the anger of the authorities.



Senor José Luis Escobar, a former field worker who fled with his remaining seven children from Suchitoto and has been jobless ever since, said of the government forces: "They were killing our neighbours. Then they killed my eldest daughter."

Senor Rafael Vega Salazar, the Green Cross director for Santa Tecla, says that it is virtually impossible for refugees from the countryside to find employment in urban areas, although some manage to find outlets for handicraft products such as fishing nets and hammocks.

Senor Salazar, who was a travelling salesman before he became a full-time relief worker, said the situation throughout the country was worsening daily, with many refugees coming out of western areas.

Although the European Community and world church groups provide food and medicine for the refugees, the Green Cross says that it is unable to cope with the growing health problems in the camps, especially skin and bronchial complaints among children, who make up more than half the total number of refugees.

"We are expecting more refugees all the time. This can only make the medical situation worse," Senor Salazar said.

Those for whom space has been found in the camp lead tedious lives, centred mostly on its sole source of water, a pipe which the municipality turns on for one hour a day.

Otherwise, they sit at the entrances to the 12ft square shacks, which the makeshift huts are divided.

The camp is run by the Salvadorean Green Cross founded by young idealists who felt that the Red Cross was reluctant to risk the anger of the authorities.

MEN WHO READ THE STARES

From Our Correspondent, Jakarta, Feb 18

Despite the recent Soviet spy scandals in both Indonesia and Malaysia, both countries still saw "the hard stare of the Chinese as much more recognisable" than that of the Russians, *Detik* Musa Hiram, the Malaysian Deputy Prime Minister, said today.

Speaking at a press conference after meeting President Suharto, he said that while security officials, *Detik* Musa said that both sides had "patted one another on the back" for their exposure of Soviet subversion methods.

He also said that while Sino-Soviet rivalry in South-East Asia was intense because of the proximity of China and its history of supporting both the Indonesian and Malaysian Communist parties, "as far as we are concerned the Chinese hard stare is much more recognisable."

BLANKET PROTEST IN AMERICA

From Our Own Correspondent, New York, Feb 18

One of the five Irishmen accused of entering the United States illegally went into the second day of a hunger strike today in protest at prison conditions.

Officials of the Erie County jail outside Buffalo, New York, confirmed that Edward Howell, aged 35, was refusing food. The four other Irishmen would join in at five-day intervals, according to their lawyers.

All are also refusing to wear clothes other than undersuits and blankets, which is reminiscent of the long so-called protest by republicans at the Maze prison near Belfast.

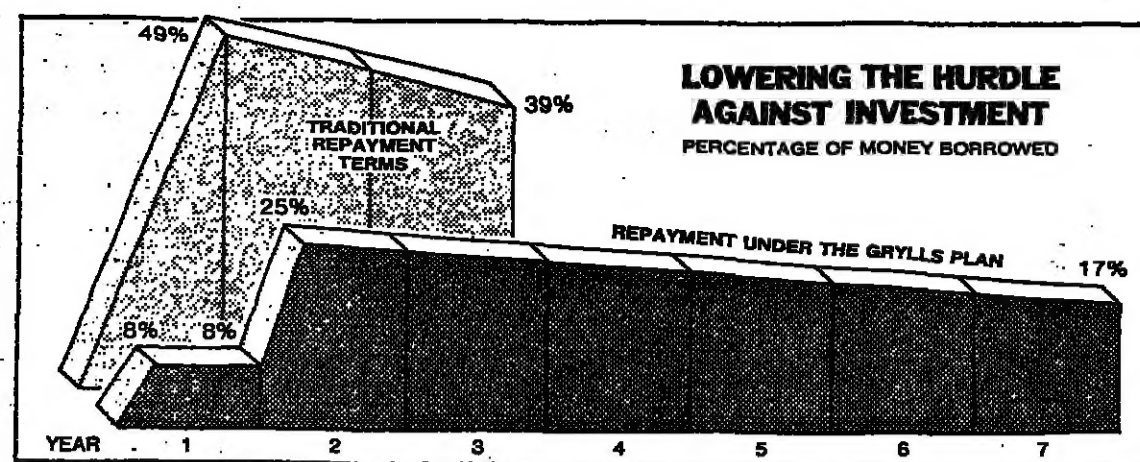
The five men were indicted at Buffalo on Tuesday on federal charges of conspiracy and "smuggling."

The other four are charged in the names of Desmond Ellis, William O'Neill, James Kelly and William Gilroy.

George Brock reports on the Budget measure that could bring £7,000m investment and 300,000 new jobs

One small move for Geoffrey Howe, a giant opportunity for industry

As Britain's industrial battalions lobby the Chancellor for costly economic expansion in next month's Budget, a group of Conservative businessmen - led by MP Michael Grylls - has put together a cheap tax change that could play a major part in revitalizing our manufacturing investment.



1 Mr Honks beats the hurdle factor

Imagine yourself to be the managing director of a medium-sized firm called Honks Ltd: at your aging factory, 50 people make car hooters. You exist on capital of £1m, half of it raised by overdraft, the rest by loans made for fixed periods. It is obvious to you that to stay ahead in the global hooter market, Honks has to modernize. A year ago, you came close to spending £200,000 on new hooter-making equipment, but gave up when you found how much borrowing the funds would cost. You are surviving the recession, but at a price: a failure to equip for the future, since last year Taiwanese hooters have penetrated the market even further and now the modernization plan is back on your desk.

The figures are still alarming. The bank is ready to lend the

£200,000 at 16 per cent over three years. To meet both the interest and pay back the capital will cost Honks about £90,000 a year for those three years. The new machines should make the production line roughly twice as productive, but the world hooter market is too uncertain to guarantee enough cash coming in. Would it not be better to wait until the promised recovery materializes?

Now suppose a different possibility arises? New arrangements between the banks, the Government and industry say that if a loan is made for longer than five years, the payback rate is halved. Companies paying interest on loans are now entitled to claim the cost of that interest as an allowance against corporation tax when they are eventually taxed on any profits. The new plan will give certain firms those allowances straight

away, whether or not they are to pay tax at year end. If they do eventually make a profit, they will be taxed without the allowances. Since most corporations tax is paid at 52 per cent, instant allowances will halve the cost of loan repayment. Longer-term loans to industry will become more like house mortgages for which tax relief arrives immediately. You do the sums again. A seven-year loan with no capital being repaid until the second year would mean an average annual cost of £42,000. What some businessmen call the "hurdle rate" is now much easier; Honks does not have to jump so high so fast. That spare cash should mean that you can take some more men and boost the output of hooters, which because of the new machinery, will be better-priced against the Taiwanese.



CANNING
The W. CANNING GROUP

Foden

T&N

3 The view from the boardroom

David Probert is the kind of Chief Executive Mrs Thatcher would like: too busy pushing his company upward and outward to moan about the recession. Mr Probert has also been spending £2m on producing new ideas and making nearly half of his workforce of 2,300 redundant to keep the company alive. The Canning group, started nearly 200 years ago, now makes specialized chemicals, plating equipment, valve fluids and refines precious metals. It sells technology to IBM and Mitsubishi. "And the banks," says Mr Probert, "have been a hindrance".

Canning's products take three or four years to develop, test and market; not every one works out as intended. Investment has become harder to finance. Mr Probert has his eye on the tiny road maps of gold which lace across printed electrical circuits. He would be well-placed to sell gold potassium cyanide, one of the elements which goes into the alloy which makes the "roads".

The necessary laboratory would cost £300,000 and scientists' salaries for two or three years would eat up another £150,000. Raising the money is no problem; the banks, he says, are always keen to lend. But Mr Probert requires each of his companies to make 25 per cent profit on its operations. A subsidiary which has a new product not making money while it is being tested needs to balance that with something which makes a profit more than 25 per cent. Gold potassium cyanide will cost too much to develop; so the project is stalled.

Some time in 1983, or possibly 1984, Canning's new phosphating processes and machinery will start to make a profit for the firm. It will have taken seven years and £500,000 to bring off a competitively priced piece of equipment which seals bicycle frames against corrosion, using less energy than other processes. Mr Probert would not embark on such a long haul today. "Nowadays when you're raising money," he says, "you want to be able to look at it and say: 'It's going to do a quick pay-off'".

The banks have woken up slowly to the idea of making longer money available for production. Mr Probert says, "The loan, Mr Probert, should match the schedule."

Bill Foden and Douglas Paybody, chief executive and chairman respectively of Fodens, of Cheshire, at the time of its takeover, calculate that a Grylls scheme would have provided an extra £5m over the last seven years of their difficulties. The sum recurs in their post-mortem arithmetic: during Fodens' final cash-flow crisis it was the amount they asked the Government to lend while they negotiated a takeover by Renault, and it was the amount the Government eventually paid out in redundancy to Fodens employees.

When the lorry-makers, which once employed 3,000 went into the hands of the Renault 18 months ago, it was snapped up by the Seattle-based PACCAR group. Staff now numbers 700.

Many factors may have contributed to the collapse. The figures are less important than the type of lending it was offered. Fodens was 25 years old and had a remarkably peaceful industrial relations record. In the late 1960s — good years for the truck business — it failed to copy the modernization schemes of competitors, but caught up in the early 1970s when it built a plant for £4m, producing a popular range of tractors, dump trucks, six and eight-wheeled lorries, military vehicles and engines. No sooner was it built than the truck business went into several years of boom and slump. The new plant had been built on existing reserves of cash, but in 1975 a group of 30 City institutions averted a crisis with a £3m loan eventually converted into shares. Cash flow remained difficult.

When the end came, Fodens had an overdraft facility of £7m and a £5m seven-year loan. The seven-year loan was the odd loan out: the bulk of its finance had been overdrafts converted into share issues. Banks which are criticized for lending "short" often reply that many industrialists prefer overdrafts: they adjust to precise needs and work out cheaper.

But would lower-cost, longer loans have helped Fodens? Barry Baldwin, a partner at Price Waterhouse and a member of the Grylls working party, commented: "No one can say for sure, but one thing Fodens needed was a stable cash flow. A lower proportion of borrowing at a lower rate in the short run could only have helped."

Martin Bell, finance director of Turnball & Newall, watches his company's attempts to modernize textile machinery in a Rochdale plant which employs 3,000 people and which is fighting fierce overseas competition. In T & N terms, the machines, at £500,000 each, are not costly, and they are 10 times more productive than the present ones. But the cash is not available to install them quickly.

In a group as large as T & N, which controls plastics, construction, chemical and mining firms, any Grylls scheme would affect the rate of new investment.

T & N spends about £10m a year on capital projects in Britain and does not find that its supply of money is short, but that interest rates endanger cash flow. If it could obtain Grylls' advantages on only half that sum it would immediately have an additional margin of £400,000 a year.

Mr Bell said: "The Grylls scheme would obviously have an immediate effect. Cash flow would improve and boards of directors are more likely to go ahead with projects at a more economic rate."

What Mr Bell calls the "hurdle rate" of payments make construction investment broken all the time. "Nowadays you're looking for a two or two-and-a-half year payback," he said. "Longer-term money is available but at floating interest rates and that makes it difficult to look further out. You want modernizing, cost-saving, energy-saving schemes which can make 40 per cent. There aren't many of those."

"If such a scheme starts, I hope it would be not just for brand new 'green field' sites, but for modernization of existing plant. It is essential that we keep our machinery modern and have the up-to-date technology used by competitors."

T & N recently spent £20m expanding a PVC plant in County Durham; it had just about broken even in a slumped European market. The corporation tax allowances available after such a project and on the interest paid on its finance are so far unused.

Mr Bell's enthusiasm for the Grylls scheme is fired by the attractions of being able to use present conditions.

2 The Grylls team v. the rest

The above story of Honks Ltd is a simplified fantasy. But it is an example of what a small but energetic group of Conservative businessmen is trying to insert into Sir Geoffrey Howe's Budget speech on March 9. A working party set up by Mr Michael Grylls MP, chairman of the party's backbench industry committee, set out to look for an industrial pick-me-up that would violate as few of the Government's economic rules as possible. They have come up with ingenious refinancing strategies. If it worked, it might be one of the few ways in which this Government could stimulate the economy promptly enough to improve its bleak election chances.

Mr George Edwards, the banking economist and member of the Grylls working party, estimates that £7,000m of new and existing loans might be taken into the scheme in the first year, generating a possible 300,000 jobs. On the ground that each 100,000 new jobs cut between £300m and £500m off the public sector borrowing requirement, Mr Edwards argues that not only will the scheme not lose the Government any tax, but it will help the economy. If the treasury did its sums properly, it would see that, he said.

Edwards has argued for some time that the British financial system is biased against longer-term lending to industry. With

interest rates high, short-term loans create a "liquidity trap" which does not endanger firms in West Germany and Japan where loans are made for longer periods. The working party was also the author of the loan guarantee scheme for small firms which slipped into the Budget last year, proving that it was possible for voices from outside the regular chorus of pre-Budget advice to be heard by the Chancellor. They have been assiduously briefing other individual Cabinet Ministers on their latest brainchild.

In its first version, the study group's report simply suggested that the Government should grin and bear the "loss" of the tax relief paid earlier than usual. The loss would be offset by a "liquidity trap" which would begin hawking the idea around Government departments in the autumn and took a valuable tip from David Young, then political adviser to Patrick Jenkins, the Industrial Secretary, and now the chairman of the Manpower Services Commission.

Young suggested that the banks be persuaded to carry the first costs and to claim it back only when they paid their own tax. The political leverage was clearly available: banks sensitive to their massive profits might be easier to persuade than reluctant Treasury and they could charge slightly higher

interest rates to compensate. The scheme could then be presented as no threat to Government revenue.

But the banks are still ambivalent. Robin Leigh-Pemberton, chairman of National Westminster, was reported to have told Conservative backbenchers that he favoured the idea. He now claims that he was misquoted and Ian Morrison of the representative Committee of London Clearing Bank said this week that his remarks had been confined to small and new businesses. It was a personal opinion, said Morrison.

Morrison said that the banks are reserving their position until they see the latest proposal in full, but want to know for certain that they would be able to change course if the loans to cover the cost of carrying the tax relief what criteria for lending under the scheme will be and how it will be policed against abuse. "There isn't," said Morrison, "massive anecdotal evidence showing that industrialists are saying 'things would be OK if there were some temporary relief even if the tax bill is higher in the end'".

Treasury officials share some of the doubts about approval mechanisms and policing, but their principal doubt is over whether the Government should encourage the possibility of the monetary expansion that a successful scheme would imply.

The scheme may rate a non-committal mention in Sir Geoffrey's speech. Its chances of anything more substantial seem remote since little detailed work has been done inside the Treasury and what work was done has left the officials with reservations.

The Grylls working party says that there will be no watering way to prevent "round-tripping" (surplus money being sent into the money markets and back again with a profit) but that the banks seem confident of being able to control abuses. The Grylls group would like policing to be done as spot checks by approved accountants to avoid the need for large numbers of civil servants. It has not so far suggested any detailed criteria for distinguishing between approved industries and "candyfloss" manufacturing would be approved, property speculation would definitely not and hotels might be on the borderline.

Confronted by the money supply argument, the working party tend the direct line adopted by Sir John King, their chairman, of the engineering firm, Babcock and Wilcox, when it presented the idea to the Treasury last November. "Chancellor," said Sir John, addressing a crowded room containing two Ministers, officials from the Treasury, Department of Industry and the Inland Revenue, "industry is bleeding".

Court of Appeal

No rates before property is in full use

British Telecommunications v. Kenneth District Council
Before Lord Justice Waller, Lord Justice Kerr and Sir George Baker
{Judgment delivered February 18}

When a new telephone exchange building is built, the local authority is entitled to rate the building as a telephone exchange. The rate is payable by the local authority, not the telecommunications company. The House of Lords has now decided that the rate is payable by the telecommunications company, not the local authority.

Mr Guy Seward for British Telecommunications; Mr Christopher Cochran for the rating authority.

LORD JUSTICE WALLER said that British Telecommunications were the owners of the Burbage telephone exchange and the Luddershall telephone exchange. They were completed on November 29, 1976, and August 22, 1977, respectively. Thereafter equipment was supplied and installed by contractors. While the buildings were being equipped British Telecommunications provided a clerk of works and from time to time their engineers attended to test the equipment being installed. British Telecommunications accepted the equipment as being satisfactorily installed at Burbage on July 21, 1977, and at Luddershall on November 19, 1977, and the exchanges were then ready for service.

A demand for rates for the period during which the equipment was being installed was made in respect of each building. British Telecommunications did not pay and complaint was made by the rating authority before the justices. British Telecommunications were in rateable occupation during those periods. British Telecommunications' case was that rateable occupation began when the hereditament could be used for its intended purpose, and that the

valuation was made because the appellant was able to occupy and use the property for its intended purpose, which was when the exchange was in working order. The rating authority argued that since the rate was based on the building and included the equipment for plant, British Telecommunications became rateable occupiers when the building was completed and before the plant was installed.

The rating authority said that British Telecommunications were occupiers and derived a benefit from their occupation because they were able to have their plant installed so that in due course they could work it.

In *Arbuckle Smith & Co Ltd v. Greenock* ([1960] AC 813) the House of Lords had to consider whether when a company purchased a warehouse for use as a bonded warehouse it was in rateable occupation while necessary alterations were being carried out, and it was held that the making of alterations with the intention of carrying on a business when they were completed did not constitute rateable occupation.

Here the rating authority conceded that if what was done to the buildings had involved work on the structure there would have been no rateable occupation until completion of that work but they contended that since this was plant the principles enunciated in the *Arbuckle* case did not apply. Reid distinguished between the owner who in some way enjoyed the accommodation he was occupying and the owner who was preparing for future occupation. Although Lord Reid was not considering the installation of a repair or improvement taking three months excluded rateable occupation and the installation of plant taking eight to 15 months did not also do so.

Also, Lord Reid pointed out the fallacy of saying that because some beneficial use was being made in that case an alteration, therefore there was rateable occupation. Rateable occupation did not exist unless the owner was occupying the property for its only use which was being contemplated, namely for operating a telephone exchange. Since the activities were confined to making the premises fit for that purpose it was not the kind of actual user as was essential to rateable occupation.

His Lordship would allow the appeal and hold that rateable occupation did not commence until the premises were available for the use as a telephone exchange and that British Telecommunications were not in rateable occupation during the time when the rating authority sought to rate them.

LORD JUSTICE KERR, agreeing, said that on the facts no distinction was drawn between the time when the buildings were completed and the time when the work of installation began. However it was common ground that British Telecommunications could not have been liable to pay rates at any time earlier than when the buildings were available for use as a telephone exchange. It was only as from that time that they could be said to have been in occupation in any sense of the term. Accordingly the question was whether they had been at pay rates as from that moment and the answer was in the negative.

SIR GEORGE BAKER, dissenting, said that in the ordinary sense of the word each of the buildings was actually occupied as a matter of fact from the starting date of the respective period. There were acts of user by British Telecommunications; apparatus was being installed, men were working, and equipment was being tested. The only question for the House was whether the occupation was of some value to the occupier, and the value or benefit did not have to be necessary for the rating authority. There was actual benefit to British Telecommunications. It had required buildings in which to install telephonic equipment and it had such buildings constructed. It had taken possession of the buildings and had begun to install the equipment by its contractors. There was some benefit although ultimately other more valuable advantages would flow.

The decided cases did not compel the conclusion that as the buildings were not ready for their ultimate use as operational telephone exchanges they were not rateable and would not be rateable until they were occupied as operational or at least ready for service. In the *Arbuckle* case the company's use of the premises as a bonded warehouse did not start until the alterations were approved by the Customs and Excise, and only then could it

Law Report February 19 1982

Extending scope of injunction

Horner v Horner
Before Lord Justice Ormrod, Lord Justice Dunn and Sir Sebag Shaw
{Judgment delivered February 18}

Harassment of a party to a marriage by sending threatening postcards and making frequent telephone calls to her place of work was conduct which amounted to molestation within the provisions of the Domestic Violence and Matrimonial Proceedings Act 1976, the Court of Appeal held, allowing an appeal by a wife from the refusal of the Magistrates' Court to grant her a fresh injunction.

MR PHILIP NEWMAN for the wife; the husband did not appear and was not represented.

LORD JUSTICE ORMROD said that the judge had taken the view that because the wife had been granted an assault injunction by justices in July 1981 that she was adequately protected and that the proceedings in the county court were a duplication of proceedings and just adding to the costs.

The powers of the county court under the provisions of the 1976 Act were much wider than those granted to justices under the Domestic Proceedings and Magistrates' Courts Act 1978. The injunction sought by the wife was probably outside the provisions of the 1978 Act, sections 16 of which referred to the use of violence or threat to use violence against the applicant or a child of the family.

"Molestation" the applicant in section 1(1) of the 1976 Act could apply to such a degree of harassment. The wife was suffering considerably from the husband's actions. The injunction would be granted, and the husband restrained from molesting or assaulting the wife.

The court had been urged to attach a power of arrest to the order. That power should be used very sparingly and only if the judge had found that the applicant had suffered bodily harm which was likely to be repeated.

Lord Justice Dunn and Sir Sebag Shaw agreed.
Solicitors: Haxall, Erskine & Co, Horsham.

Solicitor's duty varies with clients

Carradine Properties Ltd v D. J. Carradine
Before Lord Justice Ormrod, Lord Justice Dunn and Sir Sebag Shaw
{Judgment delivered February 18}

A solicitor's duty was to exercise all reasonable care and skill in and about his client's business in which he was engaged, but the scope of that duty depended upon the extent to which the client appeared to need advice. An inexperienced client required more advice than an experienced one.

The Court of Appeal (The Master of the Rolls, Lord Justice Evershed and Lord Justice Donaldson) on February 18 held that the defendant solicitors were not liable for breach of duty in failing to advise Carradine Properties Ltd, a property owner's liability insurance policy.

MR PHILIP NEWMAN for the wife; the husband did not appear and was not represented.

LORD JUSTICE ORMROD said that the judge had taken the view that because the wife had been granted an assault injunction by justices in July 1981 that she was adequately protected and that the proceedings in the county court were a duplication of proceedings and just adding to the costs.

The powers of the county court under the provisions of the 1976 Act were much wider than those granted to justices under the Domestic Proceedings and Magistrates' Courts Act 1978. The injunction sought by the wife was probably outside the provisions of the 1978 Act, sections 16 of which referred to the use of violence or threat to use violence against the applicant or a child of the family.

"Molestation" the applicant in section 1(1) of the 1976 Act could apply to such a degree of harassment. The wife was suffering considerably from the husband's actions. The injunction would be granted, and the husband restrained from molesting or assaulting the wife.

The court had been urged to attach a power of arrest to the order. That power should be used very sparingly and only if the judge had found that the applicant had suffered bodily harm which was likely to be repeated.

Lord Justice Dunn and Sir Sebag Shaw agreed.

Divisional Court

Licensing fees policy lawful

Regina v The Greater London Council, Ex parte The Rank Organisation Ltd
Before Lord Justice Watkins and Mr Justice Glidewell
{Judgment delivered February 18}

The policy of seeking to raise a substantial part of the cost of the licensing system out of the fees charged was not an irrelevant consideration in fixing the scale of fees to be charged and was a policy decision neither less legal nor less moral than the previous system under which the cost was borne by the general body of ratepayers.

The Divisional Court so held in refusing an application by the Rank Organisation Ltd, for a declaration that the manner in which the Greater London Council had fixed its fees payable on the grant, renewal or transfer of annual licences for public music and dancing had been arbitrary, unreasonable, improper, contrary to natural justice, and the fees thereby fixed unlawful; and the council's powers.

MR J. J. FINNEY for the applicants; Mr Charles George for the GLC.

Foreign debts convert on winding-up

In *re Lines Bros Ltd* (in liquidation) the purpose of applying the property of a company in creditors' voluntary liquidation in satisfaction of its liabilities *par passu* pursuant to section 302 of the Companies Act 1948, foreign currency debts of the company, existing at the date of liquidation, should be converted into sterling at the rate of exchange prevailing at the date of the resolution to wind up, the Court of Appeal (Lord Justice Lawton, Lord Justice Brightman and Lord Justice Oliver) held on February 11. It had been argued that since *Mitragos v Goss* (1971) 1 W.L.R. 1175, *Frank (Textiles) Ltd* (1976) AC 443 all liquidators should either pay dividends in the foreign currency or in the sterling equivalent at the date of payment.

Allowance to be taken into account

Walker v Walker
The single-parent allowance was a financial resource of a party to a marriage under section 25(1) of the Matrimonial Causes Act 1973 and had to be taken into account when considering how to exercise the powers under sections 23 and 24. Lord Justice Dunn (sitting with Lord Justice Ormrod and Sir Sebag Shaw) held in the Court of Appeal on February 17.

His Lordship said that the judge had disregarded the single-parent allowance which the wife received and had adopted the view expressed by Mr Justice Wainman in *M v M* (1979) 1 W.L.R. 1175, that the single-parent allowance was, like any other state benefit, a financial resource and had to be taken into account when considering financial provision.

MR JUSTICE GLIDEWELL, delivering the reserved judgment of the court, said that until 1974 the GLC were entitled to and did charge only a nominal fee for the grant, renewal or transfer of a music and dancing licence.

When the statutory limitation on the fee was removed by the Local Government Act 1974, the GLC may consider an increase with effect from April 1975. The fees were increased in each subsequent year except one and were designed to meet a substantial proportion of the cost to the GLC of administering the system of licensing premises for public music or music and dancing.

The issue before the court was whether the GLC were entitled to fix fees which were designed to recoup a substantial proportion of that expenditure and whether the fees fixed were so excessive that they were outside the powers of the GLC.

The application was concerned with three premises where public music and dancing had been licensed for many years and had been renewed annually. In 1975 the fees were increased, so that for example, at

one of the premises, the Royal Lancaster Hotel, Paddington, which were £350 in 1975 were increased to £325 in 1976, £630 in 1978 and £756 in 1979. The applicants took no proceedings to challenge those increases. However, pursuant to a resolution in December 1979 of the relevant committee of the GLC, a new scale was adopted which resulted in increases of between 257 per cent and 594 per cent on the previous fees, which was estimated to produce a total of just under £1m. Accordingly, the fees payable to the Royal Lancaster Hotel for 1981 were increased to £5,250. There were similar increases in respect of other premises.

However, the GLC's decision to increase the fees to that level was a matter of policy, a matter well within their discretion and as long as the total fee income did not exceed the cost of the licence system, and made allowance for reduced fees for charities, the court should not and could not seek to interfere. The principle that a person or body charged with exercising a discretion must give to a person affected by the decision the opportunity to be heard before the decision was made, did not extend to a decision which was universal in its application such as the fixing by a local authority of the rates for the year or the scale upon which fees were to be charged. The application was therefore dismissed.

Solicitors: Crossman Black & Keith, Guildford; Mr R. A. Latham.

Renewed protest ruled out

Mayes and Another v Minister of Transport and Another
The Court of Appeal (Lord Denning, Master of the Rolls, Lord Justice Evershed and Lord Justice Donaldson) held on February 4 that an inspector at a public local inquiry set up to hear objections to draft schemes and orders relating to side roads and interchanges to be built on a section of the M25 motorway, was entitled to refuse to hear a submission of the line of the motorway, which had already been determined in 1974 after public inquiries.

MR JUSTICE GLIDEWELL, delivering the reserved judgment of the court, said that until 1974 the GLC were entitled to and did charge only a nominal fee for the grant, renewal or transfer of a music and dancing licence.

When the statutory limitation on the fee was removed by the Local Government Act 1974, the GLC may consider an increase with effect from April 1975. The fees were increased in each subsequent year except one and were designed to meet a substantial proportion of the cost to the GLC of administering the system of licensing premises for public music or music and dancing.

The issue before the court was whether the GLC were entitled to fix fees which were designed to recoup a substantial proportion of that expenditure and whether the fees fixed were so excessive that they were outside the powers of the GLC.

The application was concerned with three premises where public music and dancing had been licensed for many years and had been renewed annually. In 1975 the fees were increased, so that for example, at

one of the premises, the Royal Lancaster Hotel, Paddington, which were £350 in 1975 were increased to £325 in 1976, £630 in 1978 and £756 in 1979. The applicants took no proceedings to challenge those increases. However, pursuant to a resolution in December 1979 of the relevant committee of the GLC, a new scale was adopted which resulted in increases of between 257 per cent and 594 per cent on the previous fees, which was estimated to produce a total of just under £1m. Accordingly, the fees payable to the Royal Lancaster Hotel for 1981 were increased to £5,250. There were similar increases in respect of other premises.

However, the GLC's decision to increase the fees to that level was a matter of policy, a matter well within their discretion and as long as the total fee income did not exceed the cost of the licence system, and made allowance for reduced fees for charities, the court should not and could not seek to interfere. The principle that a person or body charged with exercising a discretion must give to a person affected by the decision the opportunity to be heard before the decision was made, did not extend to a decision which was universal in its application such as the fixing by a local authority of the rates for the year or the scale upon which fees were to be charged. The application was therefore dismissed.

Solicitors: Crossman Black & Keith, Guildford; Mr R. A. Latham.



P.O. Box 7, 200 Gray's Inn Road, London WC1X 8EZ. Telephone: 01-837 1234

SIR PETER HIT THE BUFFERS

The railways board has chosen to tread the path of humiliation mapped out for it by Lord McCarthy, not that he left it with much choice when he decided to make it the victim of last August's ACAS-sponsored fudge. The latest three-cornered bout with ACAS has not produced any clear commitment by Aslef to the principle of flexible rostering as that is understood by the board. The most it produced was an assurance that the union does not rule out in advance negotiation under that heading. Not much of a fig leaf there, in spite of Sir Peter Parker's brave attempt to magnify the cover provided. And of course Aslef has agreed to the strict timetable Lord McCarthy laid down for negotiation and arbitration if necessary, arbitration by which Aslef is most unlikely to make itself bound. Not much of a fig leaf there either.

There is however another garment in which the board can clothe its nakedness as it enters the negotiating chamber. When last summer it was presented by the Railway Staff National Tribunal with a wages award appreciably higher than any it had the money for, the board declared that if the topping of 3 per cent was to be paid it would have to be made self-financing.

The method of financing it which the board quite rightly went for was that of making working practices on the railways less crippling inefficient. It brought the NUR and the salaried staffs along with it and agreed measures of labour productivity with them, including flexible rostering where it applied. But though the best, more efficient working practice is not the only method by which money can be found to pay the extra wages. It can be found by employing fewer train drivers. If the final stage of these drawn-out proceedings, to be concluded by mid-March, does not produce a negotiated agreement on the rostering of footplate men, or if Lord McCarthy (for it will be he) hands down an arbitration award that fails to yield sufficient productivity to cover the cost of the extra wages the board is now to be obliged to pay, or if Aslef refuses to accept the award that is handed down, the railways board should immediately set about shedding labour to the precise extent that is needed to match the cost of the three per cent.

So that no one shall be left in any doubt about its intention, the board should make known before the final round of negotiations begins that that is what it means to do

and spell out the implication in the number of jobs to be shed. The Government too should approve that intention and indicate that the board's borrowing limits will be regulated accordingly. The job losses should be made to fall on that branch of the railway service that has withheld its cooperation and they should be chosen so as to minimize curtailment of services to the public so far as possible.

The purpose of the threat is not to punish Aslef or seek partial revenge upon it but to drive home the lesson that there is no commercial future for the railways, no security for its employees and no grand investment strategy unless management and men, individually and through their unions, heartily accept the objective of productive efficiency. As chairman of the board Sir Peter Parker has preached and practised that. He has rightly staked a lot on the issue of flexible working by footplate men, for that is the key factor obstructing the efficient use of their time. If he fails to carry the point he will resign, he says. The conjunction would be greatly regretted. But the priority Sir Peter has insisted upon will survive him. One may be confident that any successor appointed by this government will share that priority. It will not go away.

TEST FOR SPANISH DEMOCRACY

The military trial which opens outside Madrid today will be followed with close attention both inside and outside Spain. Before the court will be those officers, including three generals, who have been charged with responsibility for the attempted coup of a year ago. The attempt dealt a shattering blow to the self-confidence of Spain's fledgling democracy, and one from which it has still not recovered. So the way in which the case is handled, and the verdicts which are reached, will be vital for the future of that democracy. They will show whether the system which has developed since the death of General Franco is strong enough to handle the outright assault which it underwent last February; and whether it has a chance of preventing further attempts of the same sort in future.

To most outside observers in western Europe, it is self-evident that last February's attempt was an outrage against the government and the people of Spain. A small group of military men, dissatisfied with the way things were going, decided to take the law into their own hands and impose their own views on the rest of the country by force. A detachment from the Civil Guard seized the Parliament building and held the members at gunpoint, while attempts were made to rally support from military commanders elsewhere round the country. The attempt failed because of hesitations among

these commanders and because King Juan Carlos threw the whole weight of his own prestige into combating the coup.

But that is not the way that it appeared to many members of the armed forces and to rightists in Spain's civilian population. To them, the attempted coup was the work of patriots taking justified action against the ills they saw in contemporary Spain — the terrorism in the Basque country, the poor state of the economy, the increase in crime and even such steps as the move to legalize divorce. This sort of attitude is not shared by the majority of the Spanish population. But it is widespread in the armed forces, as has become uncomfortably clear over the past year. For them and for other rightists Colonel Tejero, who led the takeover of Parliament, and General Milans del Bosch, who ordered tanks into the streets of Valencia, have become heroes fit for adulation.

The task of the military court should be, therefore, to demonstrate firmly and clearly that that is not so, and that military rebellion is wholly unacceptable. How far it will do this is, however, one of the main questionmarks over the proceedings. Attempts will undoubtedly be made by counsel for the defendants to appeal to military esprit de corps by presenting the case as one brought against the army as a whole. It is possible that the members of the court

may feel a certain sympathy for their fellow officers in the dock. So there is a danger of the court appearing to minimize the seriousness of the charges, or even allowing the proceedings to turn into a denunciation of democracy. Most damaging of all would be a decision to impose no more than derisory sentences on any officers found guilty.

The government of Señor Calvo Sotelo was aware of these risks when it decided, in the aftermath of the attempted coup, to hand the case over to the military system of justice. It could have had the defendants tried in a civil court, and that might have seemed to be the proper place, since they are charged with conspiring to overthrow the government. But it was afraid then, and it is still afraid, of an angry reaction from the army if it felt it was being demeaned. There are clear advantages in having the case heard before a military court. It provided it is properly handled. A severe sentence passed by fellow officers would have a good chance of being accepted by the greater part of the army, while a similar sentence passed by a civil court might seem to them to be vindictive. And it would do much to disabuse the officer caste of the notion, deeply rooted in Spanish history, that it is above the law. The lesson would be timely as Spain prepares to join the other western European democracies in Nato and the European Community.

HIGHER SPEED AND HIGHER PRICE

At the very time that petrol prices are falling by 5 per cent and more, the state electricity and gas industries are now announcing increases of around 10 and 25 per cent respectively in their tariffs. Not for the first time the British consumer is being faced with the glaring disparity between the free market where prices have responded to recession and the state sector where prices continue to rise in response to costs rather than demand. Not for the first time, the consumer's response has been to blame the inefficiencies and monopoly power of the nationalized industries.

Understandable this reaction may be. For it is not. The rate of increase in gas prices in particular, but also of electricity prices, is very much the reflection of political decision rather than internal efficiency (although inefficiency there undoubtedly is). Three years ago the Government decided that gas prices which had tended to be low compared to other fuels because of North Sea gas prices agreed in pre-energy crisis days, should rise by around 10 per cent above inflation for three years so that they could close the gap with competitive fuels such as electricity. The coming financial year will be the third year of such policy, conveniently completing the cycle in good time to see a slowing down in gas prices in the run-up to an election. The electricity industry decision on prices is a little different. In its case, the rate of increase has been imposed by the target of

return set by the government two years ago — a target which the industry now feels is too tight for a recession but which the government, or rather the Treasury, has insisted must be adhered to. The result in both cases, is a series of price rises for which the nationalized industries disclaim responsibility, from which the government conveniently keeps its distance and which the consumer none-the-less has to suffer.

There is reason in this madness. In seeking deliberately to accelerate the pace of gas price rises beyond the wishes of the gas industry itself, the government has been trying to bring some balance to the competitive market for fuels. By an accident of history, the gas industry arranged a series of long-term contracts at prices agreed before the explosion of oil costs in 1972/73. The benefit of this has been enjoyed partly by the industry, which has recorded record profits in recent years, and partly by the gas consumer, who has enjoyed gas prices which in real terms are still less than they were a decade ago and as much as 30-50 per cent below competitive oil or electricity prices. The reverse side of the coin has been the loss of potential tax revenue to the state from the even greater profits which would have resulted from raising gas prices in line with oil.

The madness in this reason is that the competitive energy balance would have been

restored over time even without government intervention, since the gas industry is having to pay far higher prices for new gas supplies. As these supplies take over from declining traditional low-cost supplies, so the price of gas would have had to rise at a sharp rate without any intervention.

In one sense, it is an argument primarily about fine tuning. The gas industry would prefer to adopt a slower pace of price increases to preserve more of the benefit to its own customers just as the electricity industry would prefer a slacker financial target to allow it to cope better with the effects of recession on demand. The government prefers a slightly faster pace of adjustment to avoid distortions in the market, to raise its revenue from gas and to protect coal. The difference to the consumer is one of timing rather than degree. But it is also an important question of principle. For a government to intervene in nationalized industry pricing for reasons other than to prevent a misuse of monopoly power is always dangerous. This year's intervention for broader policy reasons is next year's intervention for short-term political reasons, with all that this entails for mounting state losses, poor management morale and low efficiency. In imposing this set of increases, the government is undermining the very policies it should be trying to promote — a greater efficiency and better management by the public sector.

LETTERS TO THE EDITOR

Uncertain victory in rail settlement

From Mr R. J. W. Crabbe
Sir, I have been astonished at the easy acceptance by press and television of Ray Buckton's obviously propaganda cry of "total victory". No account seems to have been taken of the implications of the very precise proposals for a settlement put forward by the McCarthy committee. These, if fully implemented by Aslef, spell "total defeat" for them on the only issue that really matters.

The central point of contention throughout has been British Rail's demand that Aslef should confirm its acceptance of the August requirement for flexible rostering before the 3 per cent is paid. This is the exact procedure laid down in the McCarthy scheme for a settlement.

Specifically, these proposals, as quoted in your issue of today, (February 17), propose, as the first step, that Aslef should confirm its commitment to flexible rostering under the clause of the August agreement which reads:

Variable rostering hours within limits to be negotiated. Negotiations shall take place to establish variations to the rostering agreements with a view to covering the cost of the extra eight-hour day, but without producing unreasonable variation in the length of each working day or week. These discussions shall be concluded by October 31, 1981.

The next step is for Aslef and British Rail to agree a tight timetable for implementing this commitment. Only when these steps are complete is it proposed that British Rail should pay the 3 per cent — and Aslef call off its dogs.

Wherever legalistic ambiguities there may have been in the agreements of last summer, this proposed programme makes it quite clear that the committee believes that Aslef has made a commitment to flexible rostering which it has no intention of honouring.

Yours faithfully,
R. J. W. CRABBE,
Fairways,
166 Lower Green Road,
Essex,
Surrey.
February 17.

From Mr A. T. Cropper
Sir, I think that Mr Buckton, in claiming victory, has missed the whole reason why many other people are disgusted with his actions. We realize that he is committed to paper a clear agreement to flexible rostering.

What are the facts? "This broken-backed inquiry" has found that the Railway Board's agreement to pay the 3 per cent was unconditional. Do you dispute this, Sir? No you do not. Instead you attempt to besmirch the reputation of its chairman, "McCarthyism" indeed. Who is the McCarthyite?

Yours truly,
SEBASTIAN GARMAN,
79 Ealing Road,
Brentford,
Middlesex.
February 17.

Additional capital investment in the infrastructure on which industry and commerce depend is also a high priority.

A survey carried out by the Manchester Chamber of Commerce and Industry in January listed a lower rate of inflation and a fall in interest rates as the two most important requirements for improving future business prospects. These were followed by higher productivity, improved cash flow and a lower exchange rate. Out of these, like Mr Cropper, I am sure that the most important is the need for more investment in the infrastructure on which industry and commerce depend is also a high priority.

Yours faithfully,
J. McDONALD, President,
Manchester Chamber of Commerce and Industry,
Ship Canal House,
King Street,
Manchester.
February 17.

and courts of cassation before the question reaches the Court of Justice which, even then, cannot award damages. Furthermore, national laws and practice on damages differ widely in the member states.

What is required, if justice is to mean justice, is the right for such individuals or companies to sue the appropriate government for damages before the Court of Justice. It is the granting of such a right which would ensure for harmonisation far greater than those enjoyed by the Commission and would, moreover, massively improve the popularity of the Community in the eyes of those, like Mr Bewsher, at present suffering from a dual standard of law enforcement.

Yours faithfully,
MICHAEL FALLON,
51 Penham Road, W14.
February 12.

How shall a child know its parent?

From Dr Alexina McWhinnie
Sir, Recent correspondence, and particularly your leader of February 10, "A matter of origins", has highlighted the parallel between AID and adoption on the question of the child's need to know about its origins. There is indeed a close parallel and, as in the early years of adoption practice, AID practice has really had the point of view of the childless couple or parents in mind rather than that of the child.

In fact much current discussion about the importance of secrecy and confidentiality in AID is reminiscent of what was reported to the various departmental committees on adoption in 1921 and 1925 and the Departmental Committee on Adoption Societies and Agencies in 1937. Since then research into adoption outcome has opened up the whole area of communication within adoptive families, or one could say between children and the adults who "parent" them but who are not their birth parents.

This research, showed that adopted people, while indeed wanting factual details about their birth parents, viewed those who brought them up as their real parents, were thoughtfully loyal towards them, not wishing to distress them, yet were themselves distressed when the adult world in which they had been reared had not always been fully honest with them.

It emerged from the research that children who adoptive homes where their origins were made a secret frequently knew or suspected that they were adopted, not because of any direct verbal communication, but through all the non-verbal cues which happen in any family, the stray remark or intonation of a relative, the embarrassment of a parent at a simple question from the child.

The problem about advocating secrecy in AID is that the parents are then caught in a web of a lifetime of deceit, not only with their child but with the network of relatives who assume a relationship with the child based on kinship. There may well be couples who can live happily with this deceit, but there will be many who will find themselves caught unawares by the everyday comments of relatives and friends about, for example, whether or not the child "takes after" which parent.

What little work has been done with AID families suggests that the shared secret either cements

a marriage further, or breaks it, with the husband's being potentially more vulnerable to feelings of "failure" and "exclusion". Openness with the child could be considered not only fair but a right and, if adoption research and practice is anything to go by, the question of sharing such information is much more threatening to the adults involved than to the child.

There is clearly a case for a much more open debate about this whole question and great merit in your assertion that AID children have as much right to knowledge about their origins as have adopted children.

Yours sincerely,
ALEXINA M. MCWHINNIE,
Orchard Hill,
3 Windmill Lane,
Wheatley, Oxford.

From Mr R. Campbell
Sir, Amidst the debate on extracorporeal fertilization and artificial insemination by donor much has been made of the need of a child to know its "genetic origin". It may be salutary to be reminded of the discussion following a study on antibody formation. The participants were Dr. E. Philipp (then consultant obstetrician and gynaecologist at the Royal Northern Hospital, London), Lord Kilbrandon (then Lord of Appeal in Ordinary), and Sir John Stalworthy (then Nuffield Professor of Obstetrics and Gynaecology at Oxford University).

Dr Philipp: "We blood-tested some patients in a town in south-east England and found that 30 per cent of the husbands could not have been the fathers of their children."

Sir John Stalworthy: "What was the extent of that group?"
Dr Philipp: "Not large — between 200 and 300 — but large enough to give us a large shock."

Lord Kilbrandon: "Mr Philipp surely the figure of 30 per cent is a minimum? What you established was that 30 per cent could not be the children of their mother's husbands, not that 70 per cent were?"
Dr Philipp: "Yes, it is a minimum."

It is indeed a wise child who knows his own father.
Yours faithfully,
K. CAMPBELL,
Haematology Department,
Bucklands Hospital,
Coombe Valley Road,
Dover, Kent.
February 12.

Fall of Singapore

From Mr Correlli Barnett
Sir, Anthony Kemp (feature, February 15) is completely in error when he states in his article on Singapore that "We built our Maginot Line in Singapore to defend ourselves against a Japanese Fleet and refused to believe in the possibility of a landborne invasion."

The Chiefs of Staff Committee's "Far East appreciation" of May, 1937, gave as a possible Japanese option "to land army forces in the Malay Peninsula to advance on Singapore. The Japanese may hope by the combined effect of attrition, air and land attack to force our garrison to surrender before our fleet can arrive to relieve it."

The COS report considered it possible that the Japanese would land in Siamese territory at Chumporn and Singora and move by land to seize the airfields at Victoria Point and Alor Star. This is broadly what the Japanese did in December, 1941. The COS in 1937 then issued "Advance through Malaya towards Singapore; close investment of Singapore Island, and command of naval base by artillery fire". They reckoned that if the Japanese could count on 70 days' delay before the arrival of a British Fleet, and if they "can establish themselves on the mainland, deliberate operations hold for them the possibility of capturing the fortress". In fact they took Singapore in just under the 70 days.

Moreover, by 1940 it had become the established British strategy to found the defence of Singapore in defence of the Malayan Peninsula, and in particular the northern airfields. That was the plan which was put into operation when the Japanese struck on December 8, 1941. The question of Singapore's ability to

withstand a close siege from the landward side only arose from the collapse of the British defence of Malaya because of shortcomings in equipment and training.

Thus the peculiarly enduring myth that no one had thought of the Japanese attacking Singapore to defend themselves against a Japanese Fleet and refused to believe in the possibility of a landborne invasion. Why, one wonders, is it repeated endlessly?

Yours faithfully,
CORRELLI BARNETT,
University of Cambridge History Faculty,
West Road,
Cambridge.
February 15.

From Mr G. N. Burton
Sir, I was captured by the Japanese at the fall of Singapore and am glad to have survived to challenge the assertions made by Anthony Kemp today (February 15) about the present feelings of former prisoners of war.

Though physically beaten by some of them, I do not hate the Japanese, nor do I feel "an understandable sense of bitterness and frustration". Possibly POWs in Germany were generally more fortunate in the ways their captors treated them, but I see no point in such jealous and invalid comparisons.

On the contrary, I am sure many POWs are grateful for a range of experience which showed us human nature, on both sides, at its worst and at its most sublime. For one, that "the bitter end" is much less bitter than your article suggests, and, touch wood, my Datsun is running very well.

Yours faithfully,
GEOFFREY N. BURTON,
Hill View,
Rector Lane,
Compton Martin,
Bristol.
February 15.

charge of any educational system, in Ealing or elsewhere.
Yours faithfully,
PETER CROFT,
Members' Room,
Town Hall, Ealing, W5.

Ethnic schooling

From Councillor Peter Croft
Sir, Councillor Benn's letter to you (February 12) contains various minor errors that weaken his case, and one major one that destroys it. As one of the two councillors primarily responsible for ensuring the sale of an Ealing High School to the Church of England, I am in a reasonable position to point these out.

The opposition, so far from being "considerable", consisted of a few dozen vociferous ideologues. The "local community" was uninterested or in favour. The Church of England opposition consisted of a tiny minority of one incumbent who has since declared his intention of resigning orders to stand for Parliament in the Labour interest. Choice is most certainly extended in that the school is far more sharply differentiated from other Ealing schools than it was before. And so one could proceed: there is hardly a sentence in Councillor Benn's letter that bears any relationship to reality.

The major flaw in his argument, however, is the amazing assertion that the purpose of education is to break down barriers of class, race, and so on. The purpose of education is to provide people with the skills and knowledge that they need for the best possible adult life.

On demonstrating his ignorance of this simple fact, Councillor Benn demonstrates the frightful danger of putting his party in

Legal precedence

From the Reverend John Pollock
Sir, The Master of the Rolls recently broke a record. My great-grandfather, Lord Chief Baron Pollock, was the oldest common law judge ever to sit on the Bench when he retired in 1885 at the age of 82 years and nine months. Lord Denning has already exceeded him by three months; long may he continue.

The similarities between these eminent lawyers a century apart are interesting. Pollock's father was a saddler. Lord Denning's was a draper. Both had two distinguished brothers: a field marshal and a chief justice (Pollock); a general and an admiral (Denning). Before being called to the Bar both were mathematicians. Best of all, as I see it, Lord Denning has for many years been president of the Lawyers' Christian Fellowship (which as the Lawyers' Prayer Union) was founded, with others, by the Chief Baron and his son, afterwards Baron Pollock, my grandfather.

Yours faithfully,
JOHN POLLOCK,
Rose Ash House,
South Molton, Devonshire.



COURT AND SOCIAL

COURT CIRCULAR

BUCKINGHAM PALACE
February 18: His Excellency, Mr. Samuel Akpa Mpuhane was received in audience by the Queen and presented the letters of Recall of his predecessor and his own Letters of Commission as High Commissioner from the Republic of Botswana in London.
His Excellency was accompanied by the following Members of the High Commission, who had the honour of being presented to Her Majesty: Mr. T. M. B. Ditseng (Counsellor) and Mr. D. Rendoh (First Secretary).
Mr. Mpuhane had the honour of being received by the Queen. Mr. Derek Day (Deputy Secretary of State for Foreign and Commonwealth Affairs), who had the honour of being received by Her Majesty was present, and the Gentlemen of the Household in Waiting were in attendance.
Sir Edward Youle was received in audience by the Queen upon his appointment as Governor and Commander-in-Chief of Hong Kong.
Lady Youle had the honour of being received by Her Majesty.
The Queen gave a luncheon party for the President of the Republic of Ireland.
The following had the honour of being invited: His Excellency Mr. Olafur Johannesson (Minister for Foreign Affairs) and Mrs. Johannesson, His Excellency the Icelandic Ambassador and Mrs. Bjornsson, the Lord of the Isles and Mrs. Atkinson, Mr. Lindsay Anderson, Professor and Mrs. John Bayley, Mr. and Mrs. Ian Beer and Mr. and Mrs. Magnus Magnusson.
Her Majesty invested the President of the Republic of Ireland with the insignia of a Dame Grand Cross of the Distinguished Order of St. Michael and St. George.
The Duke of Edinburgh, President of the World Wildlife Fund, left Heathrow Airport, London, this morning in an aircraft of the Queen's Flight to visit Australia, Sri Lanka, Oman, Pakistan, Spain, Sri Lanka, Sudan and Tunisia.
Major John Cargill is in attendance.

CLARENCE HOUSE
February 18: Lieutenant-Colonel Hugh Sanders today had the honour of being received by Queen Elizabeth The Queen

Forthcoming marriages

Mr C P Andrieu
and Miss S C Spencer
The engagement is announced between Christopher, only son of Mr and Mrs Paul Bennett, of Cape Town, South Africa, and Candy, youngest daughter of the late Lieutenant Colonel E L Spencer and Mrs Spencer, of Lewes, Sussex.

Mr N S Balcombe
and Miss C Lipton
The engagement is announced between Nicholas Simon, son of Mr Fred Balcombe and the late Mrs Clive Balcombe, stepson of Mrs Rhonda Balcombe, of Carolyn, daughter of Mr Gerald Lipton and Mrs Shirley Lipton.

Mr J G Colman-Rogers
and Miss S L Whately
The engagement is announced between Jonathan, eldest son of the late Mr David Colman-Rogers, of Stange Park, Radnorshire, and Mrs Alistair Lyell, of Feltham, Middlesex, and Sophia, eldest daughter of Mr and Mrs David Whately, of Dorset.

Mr D R Costley-White
and Mrs M A Jakubski
The engagement is announced between David Richard, son of the late Cyril Costley-White, CMG, and of Mrs Elizabeth Costley-White, of London, Somerset, and Charlotte, eldest daughter of Mr and Mrs Stephen Way, of Edgworth, Birmingham.

Dr J F Dreyer
and Miss S C Prebble
The engagement is announced between Jonathan Frederick Dreyer of 10227 Woodson Road, Baltimore, MD 21212, United States, youngest son of Captain and Mrs Raymond Dreyer, of Ottawa, Canada, and Sherry Cecily Prebble, of Christchurch, New Zealand, daughter of Mr and Mrs Cecil Prebble of Ashburton, New Zealand.

Mr E K Frater
and Miss S O'Neill
The engagement is announced between Kevin, only son of the late Mr and Mrs E J Frater, of Cappoquin, Co. Waterford, and Marie, only daughter of the late Mr W J O'Neill and Mrs Mai O'Neill, of Cappoquin, Co. Tipperary, and Putney, London.

Mr D T Frank
and Miss L A Abbott
The engagement is announced between David, only son of Mr and Mrs T Frank, of Shrewsbury, and Diane, twin daughter of Mr and Mrs S N Abbott, of Farnham Common, Buckinghamshire.

Mr N H A Goodman
and Miss S L Millett
The engagement is announced between Nicholas, son of Perry and Marcia Goodman, of London, W2, and Sara, daughter of Alan and Janet Millett, of Mill Hill.

Mr H A Lorie
and Miss H R Knorpe
The engagement is announced between Hilton Anthony, only son of Mr and Mrs Clem Lorie, of 43, Montreal Avenue, Leeds, and Helen Rowena, younger daughter of Mr and Mrs Henry Knorpe, of 32 Sunnybank, Epsom, Surrey.

Mother, Colonel-in-Chief, The Queen's Own Hussars, upon relinquishing his appointment as Commanding Officer of the Regiment.
Lieutenant-Colonel Jeremy Phipps also had the honour of being received by Her Majesty upon assuming his appointment as Commanding Officer of The Queen's Own Hussars.

YORK HOUSE
ST JAMES'S PALACE
February 18: The Duke of Kent this evening attended the Electronic Components Industry Federation dinner at the Savoy Hotel.

Captain John Stewart was in attendance.
The Duchess of Kent today opened Emmanuel Court, Clifton, for the Bristol Old People's Welfare Incorporated.

THATCHED HOUSE LODGE
February 18: Princess Alexandra and the Hon Angus Ogilvy were present at this evening at the British premiere of the film "Priest of Love", given in aid of the Royal Marsden Hospital Cancer Fund for the Carol Tassell Appeal, at the Odeon Theatre, Kensington.
Lady Nicholas Gordon Lennox was in attendance.

The Duke of Edinburgh has been pleased to appoint Lieutenant-Commander Andrew Guy Wynn, Royal Navy, to be Equerry to His Royal Highness, the Prince of Wales, Major John Malcolm Vincent MacIntyre, Royal Irish Rangers, who relinquishes the appointment on July 31.

Prince Andrew is 22 today.
The Duchess of Gloucester will attend the Ambassadorial Ball Soiree Française in aid of UNA/UNICEF at Grosvenor House, Park Lane, London, on February 22.

The Duke and Duchess of Gloucester will be admitted as the Honorary Freeman of the City of Gloucester at Guildhall, and His Royal Highness, Colonel-in-Chief, the Gloucestershire Regiment, accompanied by Her Royal Highness, will review his regiment on April 24.

A service of thanksgiving for the February 18: Lieutenant-Colonel Hugh Sanders today had the honour of being received by Queen Elizabeth The Queen

Mr C D Lyndon Skeggs
and Miss M L Fiddes
The engagement is announced between Douglas, younger son of Dr and Mrs P Lyndon Skeggs, of 10, The Grange, Hampstead, near Basingstoke, Hampshire, and Imogen, second daughter of Mr and Mrs M O Fiddes, of 10, The Grange, Hampstead, near Basingstoke, Hampshire.

Mr R N C Morris
and Miss J E Taylor
The engagement is announced between Nicholas, only son of Mr and Mrs R N C Morris, of Radlett, Hertfordshire, and Julian, elder daughter of Mr R E Taylor, of Victoria, British Columbia, Canada, and Mrs J C Todd, of Palm Desert, California, United States.

Major G C Nash
and Mrs P J Calnan
The engagement is announced between George Campton Nash, husband of the late Eileen Nash, and Patricia Joy Calnan, of Reading, wife of the late Denis John Calnan, RN.

Mr T L Soames
and Miss D J Turner
The engagement is announced between Trevor Irwin, son of Mr Leonard Soames and Mrs Sally Soames, of London, and Diane Jeanne, eldest daughter of Mr and Mrs P E Turner, of Burton Leonard, North Yorkshire.

Mr S F Struch
and Miss B P Taylor
The engagement is announced between Stanislaw Franciszek Struch, of Warsaw, Poland, and Barbara Patricia, daughter of Mr and Mrs Vivian Taylor, of Coed-y-Mestwr, Bridgend, South Wales.

Mr R J Stead
and Miss G Gent
The engagement is announced between Richard James, younger son of Mr and Mrs W B Stead, of 12 Cambridge Street, SW1, and Nicole Marie, second daughter of Mr and Mrs M J Gent, of 15 South Terrace, SW7.

Mr K F Unwin
and Miss J F Arnold
The engagement is announced between Kieron, younger son of the late Mr and Mrs K F Unwin, and of Mrs Catherine Unwin, of Herve Bay, Kent, and Janet Fiona Pittman, daughter of Mr and Mrs John and Arnold, of Westfield, Hawkhurst, Kent.

Mr R J Adams
and Miss D C Street
A service of blessing took place February 18, at St Paul's Church, Covent Garden, following the marriage of Mr Robert Adams to Miss Clare Street. A reception was held afterwards at the Royal Opera House.

Mr R J Adams
and Miss D C Street
A service of blessing took place February 18, at St Paul's Church, Covent Garden, following the marriage of Mr Robert Adams to Miss Clare Street. A reception was held afterwards at the Royal Opera House.

Mr R J Adams
and Miss D C Street
A service of blessing took place February 18, at St Paul's Church, Covent Garden, following the marriage of Mr Robert Adams to Miss Clare Street. A reception was held afterwards at the Royal Opera House.

Mr R J Adams
and Miss D C Street
A service of blessing took place February 18, at St Paul's Church, Covent Garden, following the marriage of Mr Robert Adams to Miss Clare Street. A reception was held afterwards at the Royal Opera House.

Mr R J Adams
and Miss D C Street
A service of blessing took place February 18, at St Paul's Church, Covent Garden, following the marriage of Mr Robert Adams to Miss Clare Street. A reception was held afterwards at the Royal Opera House.



A portrait by Juliet Pannett of Sir William Gladstone, Chief Scout, who retires next Wednesday, when the painting, commissioned by the Scouts Association, will be unveiled at the association's headquarters in Queen's Gate, west London.

Sotheby's Belgravia to close

By Frances Gibb
High interest rates and inflation have forced Sotheby's, the auctioneers, to streamline their entire United Kingdom operation, which involves the closure of their Belgravia saleroom, the thinning down of salerooms in Torquay and Chester and redundancies in most branches.

Mr Graham Llewellyn, chief executive, said yesterday that although the art market was not in as bad a state as some reports indicated, it was "not in the finest state ever". Sales were down.
Some 60 staff at Sotheby's Belgravia saleroom, which was set up in 1971 to promote the Victorian collecting market, were told on Friday that most of their departments would merge with existing departments at the main saleroom in Bond Street.
That move, planned for some time, has been precipitated by Sotheby's purchase of part of the Grosvenor building adjacent to the Strand Street premises. Mr Llewellyn said all the specialist

collectors' sales would continue. Staff at Belgravia had naturally built up an esprit de corps there and it is not easy to lose colleagues and friends, he said. "But we believe it is a very positive step which will have great benefits bringing everything to one place."
There would inevitably be some redundancies, which would largely be dealt with by natural wastage. Since the streamlining started last September some 70 of the 1,000 United Kingdom staff had taken voluntary redundancy. He would not say what the target figure was.

At Torquay, 10 people are to be made redundant. At Chester six people are to go. Mr Llewellyn said that service would be maintained in both places.
Sotheby's in New York recently shed about 200 staff through voluntary redundancy. Last July it announced a turnover in their London saleroom of £93,204,000 and in the

rest of the United Kingdom salerooms £9,630,000.
For the first time last year Sotheby's declined to release their end-of-the-year figures. Mr Llewellyn said yesterday that the firm had simply decided they were not representative of the season's trading and would no longer be disclosing them. He agreed that the art market was suffering in some sections, such as jewellery, which last year contributed 5.6m to the group's turnover. Vendors were not willing to put top quality stones on the market when they once fetched £80,000 a carat and now made £40,000-£50,000 a carat, he said.

Sotheby's yesterday launched an international poetry competition with prizes worth £21,000, of which £15,000 plus 12 bottles of claret, selected by the Master of Wines at Sotheby's. The next four winners take £4,000, £3,000, £2,000 and £1,000 and several bottles of claret, all the other winners receive two bottles.

Birthdays today
The Rev Dr G. Henton Davies, 76; Lord Forster, 64; Lord Henniker, 66; Right Rev R S H Hook, 65; Mr Lee Maravin, 58; Professor Bernard Meadows, 67; Sir John N. Nicholson, 71; Sir Daniel Pettit, 67; Mrs Erin Pizzey, 43; Mr Brian Tesler, 53.

Arthur Bliss award
The Performing Right Society is to inaugurate an annual scholarship in memory of the late Sir Arthur Bliss, the composer, who was president of the society from 1954 to 1975.

Latest wills
Professor Robert Treflford McKenzie, of Kensington, London, and Haugh Island, Shepperton, Surrey, the political commentator and Professor of Sociology at the London School of Economics, left estate in England and Wales valued at £275,259 net. After some personal bequests he left his books and pamphlets to the British Library of Political and Economic Sci-

ence at the London School of Economics, and the residue for charitable purposes in England.
Other estates include (net, before tax paid):
Brookshaw, Mr Stanley James, of Market Drayton, Shropshire, intestate, died in 1977, £27,047.
Curtis, Mr George Henry John, of Clifton, Bristol, intestate, died in 1977, £229,858.
Lewis, Mr John Whitney, of Bedfordshire, £28,620.

Moreover... Miles Kington
Parkinson: Could you very briefly sum up the theory of the book for those in the audience who may not have had a chance to read it yet?

Darwin: Certainly. Mr Parkinson: I am trying to say that the available evidence tends to suggest that the natural world is governed by a set of laws which favour species which adapt to their environment, or in other words...

Parkinson: Or in other words that the Book of Genesis is as dead as mutton? Darwin: Yes, I suppose you could. Parkinson: Amazing. I don't think I'm betraying any secrets if I say that you also featured on our new postage stamps, together with what looks like two glove puppets.

Darwin: Yes. This was an idea of my publisher, who has arranged a television children's series for me, in which with the help of Tommy the Turtle and Tristram the Tortoise I try to explain why one of them is doomed to extinction before the series ends.
Parkinson: Magic. You've

Delay in authors' payments

By Kenneth Gosling

Authors expecting to receive their first payments under the Government's public lending right scheme in 1982-83 will be disappointed. Administrative and technical delays make it unlikely that the first royalties will be paid until early the next financial year, 1983-84.

The Writers' Guild of Great Britain said yesterday: "Every day's delay prolongs the injustice of running the largest public library system in the western world without paying the authors of the books."

A revised draft scheme is expected to be debated and authors' organizations hope, approved by Parliament early next month. While far from ideal, the guild says, the scheme does represent authors' sole prospect of exercising the right Parliament voted them three years ago.

The Public Lending Right (PLR) Act was passed with all-party support in March, 1979, and established a £2m fund from which authors will be paid annually in proportion to the loans from public libraries, as shown by a loan sample.

A registrar has been appointed and it is still hoped that the registration of authors will start next year.

Reception

Apostolic Pro-Nuncio designate
The Apostolic Pro-Nuncio designate, the Apostolic Nuncio last night to mark the investiture of Group Captain Leonard Cheshire, VC, OM, as a Knight Grand Cross of the Order of St Gregory the Great, The Barons' Reception was awarded the "Pro Sceleris et Pontificis".

Dinners

Butcher's Company
Mr Murray and Lady Fox were the guests of honour at the annual dinner of the Butcher's Company held at Butcher's Hall last night. The dinner was presided over by Mr Murray Fox, Mr L V G Dennis, Mr J K Curran and the Master of the Butcher's Company, among others present were the High Commissioner for New Zealand, the Master of the Saddlers' Company and Mr W F G Milne and their ladies.

The Corporation of London gave a dinner at Mansion House last night in honour of the President of the Association of Authors, Mr Murray Fox, Mr L V G Dennis, Mr J K Curran and the Master of the Butcher's Company, among others present were the High Commissioner for New Zealand, the Master of the Saddlers' Company and Mr W F G Milne and their ladies.

The Corporation of London gave a dinner at Mansion House last night in honour of the President of the Association of Authors, Mr Murray Fox, Mr L V G Dennis, Mr J K Curran and the Master of the Butcher's Company, among others present were the High Commissioner for New Zealand, the Master of the Saddlers' Company and Mr W F G Milne and their ladies.

Latest appointments

Latest appointments include: Mr Ewen Ferguson, aged 43, to be British Ambassador to South Africa.
The Archbishop of Macleod, the Venérable Rénée Simpson, and the Chaplain General of Prisons, the Rev Percival L. Ashford, to be Chaplains to the Queen.

Mr D. Voelcker to be a Metropolitan stipendiary magistrate from March 1.
Dr J. M. Cooper to be honorary lecturer in speech therapy to the Army.

Benenden School

Benenden School scholarship awards, 1982, are: Major scholarship: Maria Fleming (Western College Preparatory School).
Minor scholarships: Philip Purser (Highgate School and Benenden House School). The Music and Art Scholarships: No award.

CORRECTION

Yesterday's report of the General Synod of the Church of England wrongly described the Dean of Norwich, the Very Rev David Edwards, as Dean of Lincoln, and gave Canon Richard Craston's name as Graston.

In the photograph on page 14 the Right Rev John Tinsley was on the left as stated, and the Right Rev John Yates on the left.

OBITUARY

DAME NGAIO MARSH

Crime novelist and influence on New Zealand drama

Dame Ngaio Marsh, DBE, FRSA, who died in Christchurch, New Zealand, yesterday at the age of 82 was one of those writers who, during the 1930s raised the detective novel to a high level of literary art. In New Zealand, however, she was probably even better known for her services to the theatre.

Her father worked for the Bank of New Zealand and her maternal grandfather had been one of the first English settlers in New Zealand. She was born on April 23 1899, given the Maori name, Ngaio, which is a flowering tree and also means "light on the water". After being educated at St Margaret's College and Canterbury University College School of Art, Christchurch, she spent several years touring sporadically as a repertory actress, before coming to England in 1928 to stay with the colourful aristocratic family about whom she afterwards wrote the "Lampreys". In partnership with one of them she opened and ran a precarious but viable gift shop in Knightsbridge.

As an amusement on wet evenings, she scribbled out her first novel, *Mr Love Dead* (1934). This was an amateurish work, but it introduced the hero of all her stories, Chief Inspector Roderick Alleyn (named after her father's school, Dulwich). During the next few years, in such books as *Vintage Murder* (1937), *Artists in Crime* (1938), *Death in a White Tie* (1938), her style and sense of humour developed.

Her first novel, *Mr Love Dead* (1934), was an amateurish work, but it introduced the hero of all her stories, Chief Inspector Roderick Alleyn (named after her father's school, Dulwich). During the next few years, in such books as *Vintage Murder* (1937), *Artists in Crime* (1938), *Death in a White Tie* (1938), her style and sense of humour developed.

Her first novel, *Mr Love Dead* (1934), was an amateurish work, but it introduced the hero of all her stories, Chief Inspector Roderick Alleyn (named after her father's school, Dulwich). During the next few years, in such books as *Vintage Murder* (1937), *Artists in Crime* (1938), *Death in a White Tie* (1938), her style and sense of humour developed.

Her first novel, *Mr Love Dead* (1934), was an amateurish work, but it introduced the hero of all her stories, Chief Inspector Roderick Alleyn (named after her father's school, Dulwich). During the next few years, in such books as *Vintage Murder* (1937), *Artists in Crime* (1938), *Death in a White Tie* (1938), her style and sense of humour developed.

Her first novel, *Mr Love Dead* (1934), was an amateurish work, but it introduced the hero of all her stories, Chief Inspector Roderick Alleyn (named after her father's school, Dulwich). During the next few years, in such books as *Vintage Murder* (1937), *Artists in Crime* (1938), *Death in a White Tie* (1938), her style and sense of humour developed.

Her first novel, *Mr Love Dead* (1934), was an amateurish work, but it introduced the hero of all her stories, Chief Inspector Roderick Alleyn (named after her father's school, Dulwich). During the next few years, in such books as *Vintage Murder* (1937), *Artists in Crime* (1938), *Death in a White Tie* (1938), her style and sense of humour developed.

DR FRANCOISE HENRY

Françoise Henry, an authority on early Irish Christian art died on February 10 in France, at the age of 75. She was born in Paris in June 1907, and was the granddaughter of her mother's side of Charles Clement, biographer of Géricault.

As a student at the Ecole du Louvre and the Sorbonne, she attended lectures by Henri Focillon, Abbé Breuil, André Michel, Gustave Fougères and Robert Rey; she studied medieval art under Professor Emile Mâle and his successor Henri Focillon.

While working as assistant to Hubert at the Musée des Antiquités Nationales at St. Germain-en-Laye she became friendly with an Irish girl, Carrie Fitzgerald, from whose home in Tipperary she visited the Rock of Cashel and the Ahenry Crosses on her first visit to Ireland in 1926.

On her return to Paris, she was encouraged by Focillon to undertake the study of Irish early Christian art. In the following years she travelled in Ireland by bicycle with her friends, Carrie Fitzgerald and Marie Dupont, and in 1933 published *La Sculpture Irlandaise*, her principal thesis for the state doctorate.

In her published work she continued to develop the study of enamel and metal work, illuminated manuscripts, the primitive monasteries of the west of Ireland, and the carvings on slabs, pillars, high crosses and Romano-British churches in

HIS HON G. G. LIND-SMITH

His Honour Judge David Lind-Smith will be remembered by his many friends and colleagues for the sharpness of his intellect and his remarkable legal brain. Not only could he get straight to the root of any problem, he could, with unerring accuracy, recall any decided case on the point at hand, often, from memory, quote the name of the case, the year it was decided and the page on which the report was to be found.

He came to practice in Chester in 1932 and returned there on demobilisation at the end of the war. It may truly be said that he laid the foundations of the Chester Local Bar. In his lifetime and under his inspiration and guidance, he saw it grow from two, to its present strength of thirty-five. On the Bench his great learning allied to much practical common sense made him a most distinguished Judge. He was courteous at all times and patient almost to a fault. Many unrepresented litigants will remember with gratitude his kindness and helpfulness to them.

Sir Christopher Masterman, CBE, who died on February 16 at the age of 92, was appointed Chief Secretary and Adviser to the Governor of Madras in 1946 and the following year Deputy High Commissioner for the United Kingdom in Madras.

Lady Elizabeth Tyler, daughter of the eighth Earl of Roden, and widow of Brigadier Maxwell Tyler, DSO, MC, died on February 7 at the age of 75. He died in 1974. She was previously married to Mr G. F. Annesley, Mr C. D. A. Ross and Commander Warden Gilchrist.

£24,200 for timepiece

A sale of watches, clocks and scientific instruments was held at Sotheby's yesterday totalling £276,831. The top price of the sale was £24,200 for a mid-eighteenth-century gold and agate timepiece, in the form of a casket, the lid opening to reveal a verge watch movement by Charles Cabrier, of London.

That was almost double the estimate, result of competitive bidding. Other high prices in the sale were £13,200 paid by the London dealer R. A. Lee for a small and rare early longcase clock, by Fromantel, and £1,900 for a Burr walnut quarter

repeating bracket timepiece, by John Knibb.
Also at Sotheby's a sale of silver totalling £71,961 with a top price of £2,640 paid by an Australian for a George III oval testary.

Bonhams held a sale of English and Continental furniture yesterday, which totalled £47,080, with 10 per cent unsold.
The top price was £2,640, paid for a late Mr Queen Anne walnut bureau (est £2,000 to £3,000), lot 53, a fine Dutch walnut and mahogany centre table, fetched £2,145 and a Scandinavian section, a late 18th-century clock, est £1,000 to £1,500, realised £1,650.

BELL'S
SCOTCH WHISKY
BELL'S

Stock Exchange Prices

Late rally in gilts

ACCOUNT DAYS: Dealings Began Feb 15. Dealings End Feb 26. \$ Contango Day, Mar 1. Settlement Day, Mar 8.

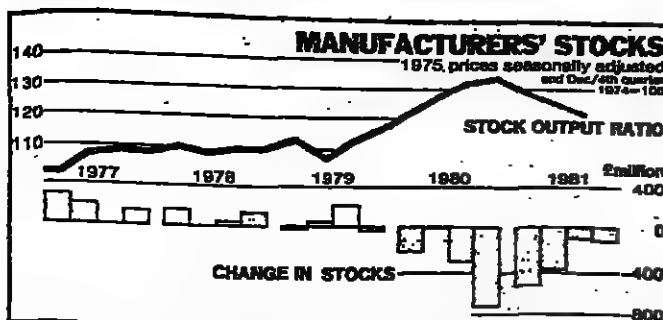
§ Forward bargains are permitted on two previous days.

BELL'S
SCOTCH WHISKY
BELL'S

[illegible]

BUSINESS NEWS

Destocking slows



Manufacturing industry cut back its total stocks more in the fourth quarter of last year than in the late summer, but the figures suggest that the worst of destocking is over. There was an increase in finished stocks also went down. The ratio between finished stocks and total output has now returned to more normal levels after the worst of the recession.

Insider dealing alleged

The Department of Trade is prosecuting an employee of merchant bankers Hill Samuel and her husband under the insider dealing sections of the 1980 Companies Act. Mrs Joyce Titheridge, of Sidcup, Kent, is alleged to have procured her husband, Mr John William Titheridge, to deal in the shares of Joseph Stocks & Sons. Mr Titheridge is charged with dealing in the shares of stocks and procuring another to deal in the securities. This is the first insider dealing case in England and the second in Britain.

Building society inquiry

The Blyth & Morpeth District Permanent Benefit Building Society which has one office in Blyth Northumberland is being investigated by the Registrar of Friendly Societies over its annual accounts. Mr Ron Devlin, the assistant registrar, said yesterday: "Steps have been taken to secure the safety of investors. The Northern Rock building society is managing affairs of the £15m Blyth & Morpeth while its future is decided. The amount in question is thought to be small about £16,000. The society's reserves are £130,000.

SE rule book hearing delayed

The Office of Fair Trading has asked for a further six-month extension to prepare its answer to the Stock Exchange's defence of its rule book. The exchange is being taken to the Restrictive Practices Court because its rules that jobbers may act only as principals and brokers as agents are alleged to represent a restrictive practice.

Morecambe gas

Plans for the development of British Gas Morecambe Bay field, 25 miles off the Lancashire coast, were approved yesterday by the Department of Energy. The £1,000m development will involve about six production platforms and a mobile jack-up drilling rig which will drill the first "slanted" wells in United Kingdom waters.

Nissan delays decision on UK car plant

By Edward Townsend, Industrial Correspondent

Nissan of Japan will probably not now make a decision about its proposed United Kingdom car manufacturing plant until the late spring. This further display of indecision by the Japanese company, which makes Datsun cars, came as a high-level team of executives led by Mr Masataka Okuma, Nissan's executive vice president, discussed the project with Department of Industry officials in Whitehall yesterday.

Mr Patrick Jenkin, Secretary of State for Industry, was involved in the talks which centred on the amount of Government aid that might be available for the new operation and on the level of local content of Nissan's British-made cars.

Mr Okuma's team was told that while the Government welcomed the Nissan project, it would not be accepted by ministers at any price.

Nissan originally spoke of a United Kingdom investment of about £300m, but this has since been revised substantially after a reappraisal of model plans. The company is now believed to be considering building more than one model at its British factory, with a consequent increase in engine output.

Regional development grants and selective financial assistance could cover up to half of the proposed investment but, in return, the Government is seeking firm commitments from the Japanese on the level and definition of locally-made parts and components to be used in the cars.

Mr Jenkin and his colleagues have faced pressure

'Mass hysteria' at Amersham issue

By Our Financial Staff

New issue time in the City saw the nation's most optimistic investors scramble to meet yesterday's deadline for shares in the latest high technology offering from the Government: Amersham International.

Amersham makes radioactive isotopes for medicine and industry. But the fact that they probably could not understand that part of the prospectus did not stop an estimated 200,000 subscribers from proffering over £1,000m for just 50 million shares at 142p each.

A hardened merchant banker despairingly dismissed the stampede as "mass hysteria".

In the wake of British Aerospace (3 1/2 times oversubscribed), Cable & Wireless (5 1/2 times oversubscribed), and the private sector money broker Exco (75 times oversubscribed), the Amersham rush of 20 times is barely surprising.

But it has raised the same questions — particularly sensitive in the case of political sale — about whether this is the best way to go public.

It is argued by merchant banks and stock brokers that stags have made little or no profit from recent heavily oversubscribed issues.

An investor who is allocated only 5 per cent of the shares for which he has

applied, and may have to wait up to a week for the share to be quoted, incurs heavy interest charges in the meantime.

The alternative of inviting investors to tender for shares in considered less preferable — if more decorous — on two grounds.

Fewer small investors are likely to apply or succeed, and it has never tried for so large an offering as Amersham's £50m. The lukewarm response to Habitat's £3.5m tender offer is cited in evidence.

But it is also admitted that the Government might gain more from a tender. Amersham is expected to net the Government £61m.

A public offering must be pitched a little below the expected trading price to attract subscriptions. This is of more obvious benefit to banks, stockbrokers, and jobbers than to the taxpayer from whom the Government is lifting an alleged burden.

One of the side effects of the huge over-subscription for Amersham was to create an enormous shortage of liquidity in the banking sector. The Bank of England put the total shortage on the day at £1,050m, of which about £800m was Amersham cheques that have gone through the town clearing system.

Business Editor, page 17

Backing for 2 1/2 year wage freeze

From Christopher Thomas, New York, Feb 18

Union leaders at the Ford Motor Company in Chicago today approved a wage and benefit agreement under which employees would accept a 2 1/2 year wage freeze in return for job security.

Local leaders of the United Auto Workers voted 132 to 12 in favour of the deal. The next step to final ratification is a ballot of 150,000 union members to be completed by February 28.

The deal, which both the union and company negotiators called historic, aims to help Ford out of its financial plight after a three year sales slump.

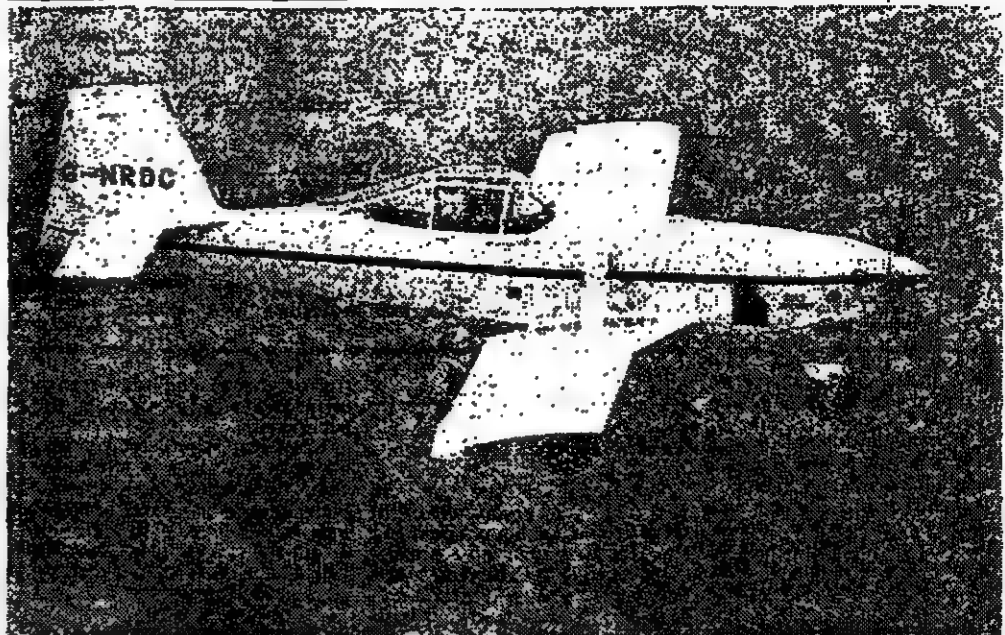
Some workers claim that too much has been given away in return for vague guarantees on job security. But with a third of the company's 106,000 production workers laid off, there are few signs of militancy.

The proposed agreement would eliminate the annual 3 per cent salary increase and reduce holidays. For nine months it would also freeze arrangements for automatic pay adjustments based on increases in the consumer price index.

The unions apparently felt that the company's position was so weak that substantial concessions were inevitable. The company has made cumulative losses of \$2,500m (£1,358m) in the past two years. The new two-year deal is due to begin in September. The United Auto Workers faces a similar crisis at General Motors.

TELECOM 'AHEAD OF MERCURY'

British Telecom intends to have its new high-speed inter-city telecommunications links in operation at least six months before the Mercury consortium completes its planned 800 mile fibre optic cabling network. The Telecom plan is based on one which has been employed in London for a year, called the London Overlay Network which has about 25 subscribers. The first link outside the capital will be with Birmingham in June. The Mercury is expected to revise its plans and possibly bring its schedule forward.



Chocks away for the Fieldmaster

A new British aircraft, the NDN Fieldmaster, was unveiled at Farnborough yesterday. It is the Western world's largest and most efficient agricultural aircraft, and the first plane to be designed in Britain for crop-spraying since the 1950s. The Fieldmaster has been developed by NDN Aircraft, the Isle of Wight

company founded by Mr Desmond Norman with financial support from the British Technology Group. Mr Norman is now seeking funds from the Government and private investors to start production of the Fieldmaster. Several potential sites are being considered, in Britain and overseas.

US to proceed with steel pricing cases

From Bailey Morris, Washington, Feb 18

The United States International Trade Commission voted today to go ahead with 38 of 92 unfair pricing cases filed against European steel-makers in nine countries. Six of the cases are against Britain.

In preliminary ruling, which represents a big setback to European steel companies, the ITC ruled there is enough evidence of injury to continue 38 of the investigations but not in 54 additional complaints filed by United States companies.

The continued cases cover altogether about two thirds of the total steel import volume flowing into the United States from European countries.

Mr Bill Airlberger, chairman of the ITC, said it is significant that the commission agreed to go ahead with a greater number of anti-dumping and unfair pricing cases than it did in May 1980, when only 29 cases were continued.

Mr Airlberger said the ruling meant the commission believes there are enough signs of injury to United States producers to "warrant further investigation". The ruling should by no means be read as a signal that the ITC intends to make a final

unfavourable determination against all the companies named in the unfair pricing complaints.

In the plate and structural categories, six complaints are against United Kingdom companies and were carried forward. In the four main categories, Belgium, France, West Germany, and Italy are involved.

Key to the final outcome of the cases is the ability of the United States companies to prove they have been injured significantly by low-cost European steel dumped on United States markets.

In determining what constitutes injury, Mr Airlberger said in an interview that the ITC will look for signs of "illhealth" in United States industry in areas such as unemployment, profitability, investment and new plant expenditures and product shipments.

Increasingly, in recent weeks, the European Community and some United States steel companies have indicated their willingness to negotiate a diplomatic settlement rather than let these steel cases continue through the adjudication process, possibly resulting in the unacceptable duties and the collapse of some European producers.

European ships at risk

North European shipping fleets will be reduced still further as owners succumb to growing competition from low cost companies in the Far East.

High manning costs have become crucial for European shipowners. For some merchant ships, especially bulk carriers, crewing costs are now three times higher than for similar ships operated by companies in the Far East and India.

A report published yesterday by H. P. Drewry, the shipping consultants, said: "As the current shipping

recession deepens during 1982 more and more North European shipping companies will be unable to compete under their own flag with their own nationals as crew."

High crew costs, tax and administrative costs have led to ships operating under some European flags to become as expensive as American-operated vessels.

European bulk carrier operators are attempting to reduce their costs either by reducing crew levels or by "reflagging" — transferring registry of their vessels to countries with lower costs.

Clearers to pay £300,000 levy

Protection for bank deposits

By Peter Wilson-Smith, Banking Correspondent

A fund to protect depositors in the event of a banking crash is to be set up. Mr Joel Bruce, Economic Secretary to the Treasury, said in reply to a written parliamentary question yesterday that the Deposit Protection Scheme will come into force from today.

The scheme, which has met strong opposition in the past from the banks, was written into the 1979 Banking Act but implementation was delayed until the Bank of England had finished licensing banks and deposit-taking institutions as required under the Banking Act.

The fund of between £5m and £6m will protect depositors on up to 75 per cent of the first £10,000 placed with each recognised bank or licensed deposit-taking institution.

The limit has been set to encourage individuals to put their money in banks. Sums above £10,000 will not be covered by the scheme.

The money will be raised by a levy on banks and deposit-takers with an initial minimum of £2,500 and a maximum initial contribution of £300,000 from the big clearing banks.

The scheme will be administered by a newly-formed Deposit Protection Board which will be able to make further levies up to a maxi-

mum of £300,000 although no bank can be made to contribute more than 0.3 per cent of its deposits in total.

The big banks objected to the scheme initially because they felt they would be paying for the shortcomings of smaller banks. They also complained because the building societies, which now have a bigger share of personal sector deposits that the banks, are not covered by the Banking Act so do not have to contribute to the fund.

However the building societies told the Government last summer that they would be able to contribute to the fund if any member society which ran into trouble.

There was a sharp fall of £920m in the United Kingdom residents' holdings of foreign currency deposits. Most of this probably reflected the conversion of these holdings into sterling to meet tax payments.

The Trans-Oceanic Trust Limited

Managed by J. Henry Schroder Wagg & Co. Limited

The Annual General Meeting was held at 120 Cheapside, London EC2 on Thursday, 18th February, 1982 at 10.30 am.

The following is a summary of the Report by the Directors for the year ended 31st October, 1981.

	1981	1980
Total Revenue	\$1,709,118	\$1,730,081
Revenue after taxation and expenses	\$ 990,378	\$ 940,407
Earnings per Ordinary Share	2.58p	2.55p
Ordinary dividends for the year net per share	2.50p	2.39p
Net asset value per 25p Ordinary Share	111.3p	99.7p

In his Statement in the Annual Report the Chairman commented:

The last financial year has been relatively successful for your Company as it has benefited from the changes made to its portfolio in 1980. The move, at the time, of a substantial proportion of the Company's assets from the U.K. to overseas stock markets with particular emphasis on the U.S.A. has resulted in an appreciation in value which might not otherwise have taken place given the poor performance of the London stock market. The major cause of this appreciation has been the weakness of Sterling. Overseas stock markets in the main have produced a lacture performance similar to that of the London market. It is also pleasing to note that the Trust's income increased over the year despite some U.K. companies cutting their dividends. This increase is attributable to the high interest rates earned on the Company's uninvested cash. As a significant proportion of this cash was held in the U.S.A. in Dollars, the Company not only benefited from the high interest rates available there, but also the appreciation of the Dollar against Sterling. In addition, income received as commission from underwriting share issues was at a high level. The outcome has been that the Directors of your Company have been able to recommend a dividend increase in spite of the difficult economic conditions experienced in 1981 and the loss of franked income to the Company by the increased emphasis on overseas investment.

The proportion of the Company's assets now invested in the U.S.A. exceeds 45%, while in the U.K. this figure has fallen to approximately 36%, including uninvested cash. This further change in geographical emphasis has come about almost entirely from the movement in value of the portfolios and the currencies in which they are expressed. Movements of the Company's assets between countries during the year have not been of major significance, but small investments have been made in Mexico and Singapore. Since the Company's year-end some disinvestment has been made in the U.S.A. with the assets being re-employed in Japan and the Far East.

In today's environment it is notable that share prices, interest rates and currencies are highly volatile. While this environment makes it more difficult to obtain a stable investment performance, it also offers considerable opportunities if firm action is taken at the right time. It is your Directors' continuing intention to make the best use of these opportunities wherever possible, although this may require a need to make significant changes to the Company's assets from time to time.

Copies of the Report and Accounts are available from the Secretaries, J. Henry Schroder Wagg & Co. Limited, 120 Cheapside, London, EC2V 8DS.

MARKET SUMMARY

Late dash for Amersham

LONDON EXCHANGE

FT Index 562.2, up 1.4.
FT 100 65.55, up 0.21.
FT All-Share 325.09, up 0.12.
Bargains 17,988.

There was standing room only in the morning session as investors made a last-minute dash to lodge their applications for shares in Amersham International.

Pundits estimated that the offer for £55m worth of shares would be oversubscribed 20 times with an estimated £1,300m offered by investors.

As a result business in the remainder of the equity market remained low key with prices drifting on lack of interest. A rally on Wall Street early on provided some comfort with the FT index closing 1.4 down at 562.2, after being 3.3 down at 5pm.

Heavy selling of several blue chips did little to help matters. Stone Circle 14p to 50p. Brokers Scrimgeour Kemp Gee are recommending investors to sell about £5m after the devaluation of the Chilean peso. Profits from Chile last year were about £17m.

Turner & Newall, down 8p to 89p, was another weak market as brokers House Cowett downgraded profits from £19m to £16m against £13m last time.

Hoare have based their assessment on recent poor figures from Philip A Hunt Corp, the group's US subsidiary, and the latest turn of events in Zimbabwe.

Chubb was steady at 113p as a line of 200,000 shares went through the market. Takeover favourite Booker McDonald rose 2p to 73p amid high turnover. A put-through was completed in 13m shares with another buyer picking up 1.5m later in the day.

OTHER EXCHANGES

Tokyo: Nikkei Dow Jones Average 7,683.76 up 39.7
Hongkong: Hang Seng Index 1,257.94 up 24.48

CURRENCIES

● Lower Eurodollar deposit rates, an easier Fed funds rate and unclouded rumours that President Reagan was planning defence cuts weakened the dollar.

LONDON CLOSE

STERLING
\$1.8520 up 165 points
Index 91.7 unchanged
DM 4.3850
Fr.F. 11.1500
Yen 435.50
DOLLAR
Index 112.7 down 0.3
DM 2.3787 down 215 pts
30LD
\$369.75 down \$3.25

TODAY

300s domestic product, 4th quarter prelim.
Company results: Half-yearly — J&F and Co, Television, Thropton Secured Growth. Finals — Kennedy Brookes, Lloyds Bank, F. Miller (Textile), Phoenix Mining and Finance, Scottish Joint Investors, Tace, Walsams.

COMMODITIES

● The afternoon tin market featured heavy borrowing of cash metal for one day at the £120 limit premium set by the LME committee, on short positions maturing, largely as a result of heavy forward selling to the market's main buyer during late November.

One party in particular was involved in about half the 2,000 tonnes borrowed, which return was lent by the operator responsible for boosting prices by over £2,000 since last July.

Three months metal fluctuated narrowly to finish £10 higher at £7,880.

The morning market saw the back-sideration for cash to three months metal narrowing slightly to £95. Cash metal traded from £8,930 down to £8,850 in the rings while three months fell to £7,850 under before short covering reversed the trend to £7,890 on the curb.

MONEY MARKETS

The Bank provided a near-record £1,144m assistance, including £388m lent direct to the discount houses at 14 per cent and The Amersham pay-over accounted for £800m of the estimated £1,050m shortage.
Domestic Rates:
Base rates 14%
3-month interbank 14 1/4%-14 1/2%
Euro-Currency rates
3-month dollar 16-16 1/4%
3-month DM 10 1/4%-10 1/2%
3 months Fr.F. 16 1/4%-16 1/2%

BUSINESS NEWS/COMPANIES AND MARKET REPORTS

Uneasiness over gold... anxiety over engineering

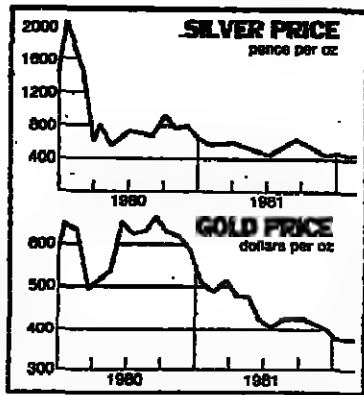
Selling by Russians hits price

A nervous gold market was asking yesterday who is going to "do a Joe Granville" on gold after prices fell heavily on reports of Russian sales, and panic small investors (Sally White writes). Technically it is possible for the charts to see a fall back to the \$250 level, although the pattern of trading at present is for small falls and then rallies.

Gold had been trading fairly happily for the last few weeks about the \$370 or \$380 level. Dealers have been made nervous by selling by the Singapore central bank last week, which put a lot of physical gold on the market. Then the Zurich market saw heavy sales starting around 9 o'clock yesterday morning by the Russians that dealers said continued for about 2 hours. That took price down to a low of around \$366.

Fundamentals on gold are good. Industrial demand is taking up supplies put on to the market. The latest report from J. Aron from the United States gold house, is that supplies are likely to remain tight relative to demand in 1982 as a whole.

But there has not been a



dramatic sell-off in gold. Overhanging the market is all the gold that so many rich investors in the Middle East bought after the two big rises in oil prices. Far East buyers took in the gold that was sold in panic by small investors when the price soared to \$850 in January 1980. Some of these holders could soon become disenchanted and start to sell.

Gold has come down from the high ratios is used to have against the oil price. After that, much more recently, it seemed to have been steadied by silver. But now silver itself has been looking weaker.

"The trouble is we are now in the hands of the chartists," Mr Julian Baring, of James Capel the stockbrokers, said. As a house the firm has been saying for some little time now that even given

investors were happy with the price of gold, gold mining shares were looking too high. While he is not saying that prices will immediately fall, he would be much happier if the shares were 20 per cent or so lower.

There are a number of reasons for being nervous about the gold market. Economists and bankers are still looking for much higher interest rates in the United States, some to a level above last year's record. Investors have been switching their money into dollars and dollar instruments, hoping to benefit from the high yields and also capital gain. High interest rates in the United States usually depresses gold and other dollar dominated commodities, and restricts margin trading.

Another problem is not so much the gold that the Russians sell, but the psychological impact of their sudden descent on the markets. Usually the Russians make their sales when the market is looking fairly resilient, but when other large physical holders are also selling, then gloom prevails.

The next chart point is a long way down, and the price has to go through the \$350 and \$300. A lot could happen before then. As one chartist said: "President Reagan could do a U-turn, and we would be back to low US interest rates." Meanwhile it is not just the chartists who are watching the \$350 level.

No indication of an upturn

Market analysts who are watching the mechanical engineering sector for signs of industrial recovery are becoming increasingly anxious, Drew Johnston writes.

The depressed aerospace industry has caused much concern because 25 per cent of mechanical engineering profits come from there. Excess aircraft capacity in the civil market is matched by the downturn in the demand for military aircraft.

Similarly, the motor industry which was expected early in the new year. Some analysts believe that the market's present caution will be relieved to some extent when this month's industrial performance figures are published. Other analysts consider that renewed pessimism is feeding through to the market from industrial finance directors. The theory is that the rail strikes and the bad weather prevented talks between the market and industry. Now, the message reaching the market is that there is no profit increase in high volume production levels. Profits only increase when engineering companies have trimmed their sails

and streamlined the production process. Analysts believe export markets have been holding up for the engineers, though profit margins on them are restricted.

Hawker Siddeley, which has been selling heavily to the Third World and has diversified itself of its aerospace interests, is stimulating interest.

The market expects a modest profit increase from £113m to about £120m, but the shares have held up well against companies such as Dowty where the ordinary shares fell to about half their share price. Hawker Siddeley shares have been on the slide in the last few weeks, in common with the slump in the sector, but reaction seems to have set in and the share price has been showing some good two-way trade. The share is favoured for its long-term prospects, especially in the light of poor performances in the rest of the sector.

Vickers, often regarded as in the same mould as Hawker, has an above average yield of 10.3 per cent and price earnings ratio of 6.5.

Anderson Strathclyde is well-regarded, but analysts are unhappy with companies such as Tube Investments, Babcock International and Lucas Industries. John Brown has recovered from the traumas of last year, according to last month's half-year figures. Its gas turbine division is

expected to contribute to good figures if its planned Russian gas pipeline project goes ahead. The dividend yield is approaching 10 per cent.

IMI cheerful prospects

Birmingham-based IMI is as good an indicator of the wealth of industrial Britain as any company. Building, aerospace, textiles, motors: there are few sectors to which IMI does not supply widgets, Sally White writes. So far, this year there is no pick-up to report. Heading equipment is seeing its usual cyclical demand, boosted somewhat by the very cold weather. Aerospace, on the other hand is down. "Things are looking cheerful for us, in fact, I have not felt so cheerful for a long time. But that is because our output per man is up. We have had to make a lot of people redundant," the director Mr Bill Brittain said. But as far as being an indicator he has to report that the economy seems flat.

Correction

In the issue of February 11, Lord Mait was incorrectly referred to as chairman of Peachey Properties. Sir Richard Ball took over from Lord Mait last year.

INTERNATIONAL



CHINA

China has so far ordered a total of 1.01 million tonnes of rolled steel from six Japanese steel manufacturers for shipment up to end-June this year. China agreed initially to buy 700,000 tonnes for first-half year shipment in negotiations in Peking last November.

JAPAN

About 12 Japanese video tape recorder and tape manufacturers have agreed to unify standards of eight-hour playing cassette tapes for VHS-format video recorders. © Toyo Kogyo said its Mazda car production in January totalled 87,459 units, down 10.9 per cent from a year earlier for the first year-to-year decline in five years.

SPAIN

Spain's olive oil exports dropped 58.49 per cent in 1981, compared with 1980. The fall has been blamed on the poisoned cooking oil scandal in Spain that has claimed 222 deaths since it was first discovered in May last year.

TURKEY

Turkey's exports rose by more than 61 per cent in 1981, the first full year of military rule. Imports rose by 19 per cent. The significant rise in exports was encouraged by tax inducements and ready markets in the Arab world.

UNITED STATES

Initial claims for state unemployment insurance benefits fell to a seasonally adjusted total of 560,000 during the week of February 8 from 591,000 in the week of January 30.

INDIA

A 32-day-old strike by more than 200,000 textile workers in Bombay is now threatening to disrupt India's textile exports. The stoppage is caused by a wage dispute.

AUSTRALIA

The price index of articles produced by manufacturing industry increased by 6.8 per cent in the 12 months to December 1981, down from 11.8 per cent in the preceding year.

HALLIDAY SIMPSON

Exchange inquiry continues

The Stock Exchange said yesterday that its internal inquiries into what has become known as the Halliday, Simpson affair are still continuing.

The probe into the business conduct of the former Manchester-based stockbroking firm which the Exchange suspended last summer and which subsequently decided to close, was completed just before Christmas.

Disciplinary proceedings are being taken against the firm's partners.

The Exchange has declined to give its internal report to the Director of Public Prosecutions until these proceedings are complete.

Yesterday, Sir Nicholas Goodison, Stock Exchange chairman, declined to acknowledge that disciplinary hearings, thought to be set for next month, were taking place.

He added: "Our investigations are not finished. We have a number of leads which have to be followed up. There are a number of outside people involved, but that does not mean to say there is any suggestion that they have done anything wrong."

"It's just that one wants to get to the bottom of any patterns of dealings."

He said he had not spoken

KITCHEN QUEEN

Buyout hope

Receivers called in to Kitchen Queen said last night that they had been speaking to a number of parties interested in buying the furniture group which collapsed on Wednesday with total debts of about £5m.

Mr Harold Brierley, of Spicer and Pegler, the accountants, who were called in by National Westminster Bank, said some of the 125 staff had already been made redundant but there had been an encouraging amount of interest in the group's dozen stores. These are believed to have a realisable value sufficient to meet a large part of the £5m owed to the banks and preferred creditors.

Mr Stephen Boler, the 36-year-old Manchester businessman who bought Kitchen Queen for the Moben Group for £2.1m in June 1980, when it had 36 stores, has been selling them over

KITCHEN QUEEN

Buyout hope

the period to reduce borrowings. He is now assisting the receivers.

Kitchen Queen which was brought to market by Halliday, Simpson, Manchester stockbrokers, was taken over by Moben directors when Mr Neville Johnson, Kitchen Queen's chairman, suddenly resigned and sold most of his shares after the group announced an unexpected loss.

Losses at the time Mr Boler bought Kitchen Queen were said to be unquantifiable. Mr Brierley said yesterday that losses when he too over were substantial.

GOODE DURRANT

28pc rise

Goode Durrant & Murray, the international finance and property group, raised pre-tax profits by 28 per cent from £1.7m to £2.2m in the year to October, on turnover up from £46m to £61.7m.

There was a 37 per cent increase in the group's United Kingdom housebuilding profits to £710,000 and its South African operations raised profits by 32 per cent from £386,000 to £509,000. Profits from banking and finance rose from £495,000 to £826,000 while its New Zealand department raised profits by 26 per cent to £741,000. Rental and sundry income was the only area to fall, slipping from £185,000 to £24,000.

The dividend for the year is raised to 1.25p from 1.07p and is covered 5.1 times. Earnings per share are stated as 6.1p against 4.8p. On a current cost basis, pre-tax profits are £1.45m.

A group of the group's profits other than in South Africa shows Australia and New Zealand contributing £737,000 against £585,000, the United States producing £1,000,000 against £44,000 and the Kingdom of profits of £876,000 against £777,000.

The Department of Trade's report had criticised the way Ozalid directors were paid and the manner in which payments were facilitated. The report said that the board never saw fit to query the establishment of Swiss bank accounts or the receipt of substantial sums of money. The board was also ignorant of obligations to disclose to the company the members' aggregate emoluments and that sums were waived to fictitious companies.

LAGANVALE ESTATE

Takeover off

Laganvale Estate, the Belfast-based property company in which Mr Jim Slater has a substantial stake, will not now be taken over by finance group Sturila Holdings. After talks between the two groups the board has withdrawn its recommendation of the £4.5m offer announced by Sturila.

In its offer for Laganvale last December, Sturila said it would give the finance group an attractive property portfolio, but Mr Robert Knight, chairman of Sturila, said that after a meeting on Wednesday he felt that the heat had gone out of the proposed deal. Sturila has decided to withdraw its offer.

Instead Sturila which forecast profits of £1.2m for the 15 months to April, plans a rights issue on terms which it simply says will be favourable.

The profit forecast was part of an agreement by the two parties made on January 19, but the Sturila forecast did not meet a number of requirements laid down by the Laganvale board.

During the negotiations, Laganvale's main asset, Mire House, Brighton, was revalued at £3.5m against a book value of £1.9m and a July 1981 valuation of £3.4m.

GROSVENOR

£7m injection

Private capital of £7m is being injected into Grosvenor Development Capital, the company set up a year ago by the National Enterprise Board to help small, growing businesses.

British Technology Group, which brought together the activities of the NEB and National Research Development Corporation, said that British Rail, Pease and County Bank on behalf of clients, and Equity Capital for industry would put up

Latest results

Company or firm	Sales £m	Profits £m	Earnings per share	Div. pence	Pay date	Year's total
H J Baskerville (1)	1,181.26	0.09480.15	1.61 (2.03)	—	—	(1.0)
Chen Industries (2)	—	0.410.39	—	40.637.50	26/4	40.637.50
Goode Durrant (3)	81,746.04	0.31.78	0.80.77	30/6	—	0.80.77
Metals Britain (4)	4,043.43	0.910.78	0.91 (0.75)	3.5	—	6.55
Newbold & Birt (5)	111.1.57	0.430.34	0.80.34	2.32.32	2/4	8.73.7
Osama Corp (6)	—	0.0390.041	1.351.39	—	—	(1.8)
Wm Ransom (7)	1,511.34	0.150.15	4.835.07	1.51.5	7/4	(5.87)
Reliance Kraft (8)	10.10.58	0.110.03	—	0.70.77	4/5	(1.54)
W Whittington (9)	27,627.54	2.862.84	40.431.88	4.71.25	30/4	718.75
H Young (10)	1,521.53	0.0390.0219	4.832.43	—	—	(—)

Dividends in this table are shown net of tax on profits per share. Shareholders in business news dividends are shown on a gross basis. To establish gross multiply the net dividend by 1.425. Profits are shown pre-tax and earnings are net. —=Gross payments. —=Loss.

Every bank can get your money on the move...



...eventually.

The complexities of international trade call for a bank with comprehensive knowledge of the money markets and the facilities to handle your remittances quickly and conveniently to make your money work for you at every possible moment.

As Britain's largest independent overseas bank, Standard Chartered is uniquely placed to deal with your international transfers. More than 1500 offices in over sixty countries make it more likely that we can handle your remittances at both ends of the transaction—always a time-saver and often a money-saver.

Standard Chartered
The British bank that goes further faster.

Standard Chartered Bank, 100, Broad Street, London W1P 3PU. Telex: 253493. Cable: 253493. Telephone: 01-253493. Fax: 01-253493.

Local presence also means local knowledge. More than a century of specialisation in international trade has given Standard Chartered an immense store of information to draw upon when offering advice on such things as Exchange Control, local regulations and particular situations which may cause delays.

Our range of services both overseas and at over twenty British branches is exactly what you expect from any dynamic, progressive bank; the efficiency provided with the service makes us distinctively what we are.



Mr John Oakley, chairman of Grosvenor

losses during the previous year. Turnover fell to £46.5m against £51.3m. Extraordinary debits in the period were £3.2m compared with £4.3m.

For the group, which in 1977 was taken over by the Dutch office machines group, Oceva-van der Grinten in a £24.6m bid, said that current trading is showing significant improvements. This is because of the measures adopted over the year to bring the costs down to the level of revenue.

With the recent disposal of its wholly owned subsidiary, J. B. Broadley, the company is trying to keep all activities within the reprographic industry.

The board says that trading in the last two months is encouraging and better results are expected for the year.

The Department of Trade's report had criticised the way Ozalid directors were paid and the manner in which payments were facilitated. The report said that the board never saw fit to query the establishment of Swiss bank accounts or the receipt of substantial sums of money. The board was also ignorant of obligations to disclose to the company the members' aggregate emoluments and that sums were waived to fictitious companies.

LAGANVALE ESTATE

Takeover off

Laganvale Estate, the Belfast-based property company in which Mr Jim Slater has a substantial stake, will not now be taken over by finance group Sturila Holdings. After talks between the two groups the board has withdrawn its recommendation of the £4.5m offer announced by Sturila.

In its offer for Laganvale last December, Sturila said it would give the finance group an attractive property portfolio, but Mr Robert Knight, chairman of Sturila, said that after a meeting on Wednesday he felt that the heat had gone out of the proposed deal. Sturila has decided to withdraw its offer.

Instead Sturila which forecast profits of £1.2m for the 15 months to April, plans a rights issue on terms which it simply says will be favourable.

GROSVENOR

£7m injection

Private capital of £7m is being injected into Grosvenor Development Capital, the company set up a year ago by the National Enterprise Board to help small, growing businesses.

British Technology Group, which brought together the activities of the NEB and National Research Development Corporation, said that British Rail, Pease and County Bank on behalf of clients, and Equity Capital for industry would put up

the money and take a 71 per cent stake in Grosvenor with BTG retaining the rest.

The move is in line with Grosvenor's intention to BTG on introducing private sector finance into its activities.

Grosvenor, whose executive chairman will be Mr John Oakley, chairman of Berwick Timpco, the toy manufacturer, already has £3m of investments in eight companies in which the NEB has a stake. Their combined turnover is £4m and all are profitable with the exception of one running at break-even.

GOODE DURRANT

28pc rise

Goode Durrant & Murray, the international finance and property group, raised pre-tax profits by 28 per cent from £1.7m to £2.2m in the year to October, on turnover up from £46m to £61.7m.

There was a 37 per cent increase in the group's United Kingdom housebuilding profits to £710,000 and its South African operations raised profits by 32 per cent from £386,000 to £509,000. Profits from banking and finance rose from £495,000 to £826,000 while its New Zealand department raised profits by 26 per cent to £741,000. Rental and sundry income was the only area to fall, slipping from £185,000 to £24,000.

The dividend for the year is raised to 1.25p from 1.07p and is covered 5.1 times. Earnings per share are stated as 6.1p against 4.8p. On a current cost basis, pre-tax profits are £1.45m.

A group of the group's profits other than in South Africa shows Australia and New Zealand contributing £737,000 against £585,000, the United States producing £1,000,000 against £44,000 and the Kingdom of profits of £876,000 against £777,000.

CAPITAL GAINS

Britain's powerful farm lobby is expected to react angrily to yesterday's court decision that paper profits made on the sale of moveable equipment such as harvesters, are liable to capital gains tax.

In the Chancery division, Mr Justice Nourse upheld a claim by the Inland Revenue that rollover relief provisions in the 1979 Capital Gains Tax Act apply only to fixed machinery.

The taxpayers, a four-man company of plant hire contractors from Blaenau Ffestiog, in Snowdonia, argued that the sale of £30,000 worth of plant excavators in order to buy new, more expensive, machines was exempt from the tax because of the rollover relief rules.

These allow the apparent gains on the sale of business assets to be rolled-over if new assets are bought to carry on a business.

The rules say that qualifying assets are: "Fixed plant or machinery which does not form part of a building or of a permanent or semi-permanent building in the nature of a building."

Mr David Parry, barrister for the Welsh plant hire, said his clients had not ruled out the possibility of an appeal.

Base Lending Rates

ABN Bank	14%
Barclays	14%
BCCI	14%
Consolidated Crds	14%
C. Hoare & Co	14%
Eloyds Bank	14%
Midland Bank	14%
Nat Westminster	14%
TSB	14%
Williams & Glyn's	14%

* 7 day deposits on sums of £10,000, £20,000, £50,000, £100,000 and over.

WHITTINGHAM

Dividend raised

William Whittingham, the property and photographic processing group, based in Wolverhampton, managed a 4 per cent increase in pre-tax profits to £2.96m in the year to October, against £2.85m, on a turnover down from £27.94m to £27.63m.

Trumpet and Colomond, the company's photographic subsidiaries, returned to profits with £1.78m for the full year, after half year losses of £112,000.

Difficulties in the industrial letting market and the poor state of the housing market hit the property and development division but profits were up slightly at £2.52m against £2.44m.

Mr Geoffrey Sharples, joint managing director, said that the group had expanded its industrial development activities south, with a scheme at Aylesbury, Buckinghamshire, and that house sales had been good so far this year.

The final dividend is raised from 6.43p to 6.75p, making a total for the year of 10p against 9.64p. Stated earnings per share rose from 31.98p to 40.45p.

Mr Sharples said that he did not expect that the photographic processing business was a price-sensitive area, as critics had suggested, and believed that the group had gained market share.

STICK THIS ON YOUR WINDSCREEN AND READ IT EVERY TIME YOU PAY THE PETROL ATTENDANT.

WITH A DUAL FUEL CONVERSION

A FORD TRANSIT 2 LITRE LWB VAN SAVES £1000+

A FORD ESCORT ESTATE 1300 SAVES £600+

A FORD CORTINA 1600 SALOON SAVES £550+

Figures based on average annual mileage of 25,000 and manufacturer's list price.

There's a better way to run your business. At around £1 a gallon LP Gas is so much cheaper than petrol. Your local Dual Fuel conversion centre can have your vehicle hooked on to the road in a day, ready to give you the choice of LP Gas or petrol at the flick of a switch. As a private motorist you can save hundreds of pounds a year. As a fleet operator it could be tens of thousands.

Dual Fuel Systems is Britain's No. 1 LP Gas conversion specialist. Ring today for your free copy of our comprehensive brochure and the address of your nearest conversion centre.

DUAL FUEL

TELEPHONE: 01450 9911

HEAD OFFICE: UNIT 5, 1000 NORTH OLEAF ROAD, LONDON NW2 2P

M. J. H. Nightingale & Co. Limited

27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212

The Over-the-Counter Market

1981/82

High Low Company Price Ch'ge Divid % Actual Tased

124 100 ABI Hlds 10% CULS 124 +1 10.0 8.1 —

75 62 Airsprung Group 70 — 4.7 6.7 11.1 —

51 33 Armitage & Rhodes 44 — 4.3 9.8 3.7 8.3

205 187 Bardon Hill 204 — 9.7 4.8 9.9 12.1

104 77 Deborah Services 77 — 6.0 7.8 3.8 7.2

130 57 Frank Horsell 130 — 6.4 4.9 11.7 24.1

81 39 Frederick Parker

BUSINESS NEWS / FOCUS AND COMMENT

PEOPLE

Richardson: a billion pound man

I say in the confidence of offending nearly everyone that one man stands behind the staggering way more than £1,000m has been put down on American International. This is the highest of high technology new issues in radio chemistry, with the ultimate in investment accolades — it is unique. The man is Michael Richardson 56, of Rothchilds, recruited from the bluest of blue blooded stockbrokers, Cazenove. As it happens Cazenove are brokers to this lucrative issue.

Modestly Richardson denies that the offer for sale (which ensures that the public as well as a few institutions end up owning Amersham) was ideal or even peculiarly his idea.

But his success does highlight the way Rothchild, Morgan Grenfell and Warburg have come to the top of the new issue heap virtually together.

Coincidentally or not, they all recruited top stockbrokers to beef up this side of their business. There is Richardson at Rothchilds, Bill Mackworth-Young (formerly of Rowe and Pitman) at Morgan Grenfell, and Simon Garnoville, who used to be at Scrimgeour helps out at Warburg. Other merchant banks with a taste for new issue business please note.



"Of course he's overweight, poor mite. It's all that nasty lead he gets out of the petrol!"

Where was Heron Corporation's chief executive Gerald Ronson when news of his bigger offer for ACC was announced yesterday?

He was not behind his desk but amid a bevy of balloons and go-go dancers at the Mayfair Theatre. There Heron's American business partners the video game manufacturer Atari was announcing its 1982 plans for this country.

Sy Grann is no lounge lizard

A small factory estate on the outskirts of Harlow has become the centre of the fashion-conscious shoe trade. For Sy Grann, who is managing director of ROBA UK, fast-growing international freight forwarding company, has discovered a source for lizard skins. Not just ordinary skins, but the rare teju lizard skins.

When Mr Grann recently found a source for baby crocodile skins, his customer was so pleased he gave him a pair of hand-made baby crocodile skin shoes which cost around £320 a pair.

The Stock Exchange is chuckling over the story of the man who wrote to a newspaper: "I suffer from dry eyes (inability to shed tears). What do you recommend?" Reply: "See your doctor. If no success, see your Tax Inspector!"

Computers for tout le monde

If you cannot beat them, join them. That appears to be the conclusion drawn by France's Jean-Jacques Servan-Schreiber to the problem of computers increasing in taking over jobs presently carried out by human beings.

His World Centre for Micro-computers and Human Resources is due to open shortly in Paris. It will develop a small easy-to-use micro-computer, expected to sell at between £40 and £80, and examine how ordinary people can be taught to use it.

Servan-Schreiber is best known abroad for the book he brought out in the 1960's on American multinationals in Europe "The American Challenge".

Peter Wainwright

NEW APPOINTMENTS

Dr S. J. Ford has been appointed managing director of The British Aluminium Company. He succeeds Mr L. S. F. Charles, who retired but remains on the board as a non-executive director.

Mr John Robertshaw chairman of United Scientific Holdings, has been appointed director of The Technology and Innovation (TIE) and chairman of its financial panel.

Sir John Priddleaux has been appointed to the board of Dow Scandia Banking Corporation.

Letting another watchdog loose on state industries



The controller, Mr Gordon Downey, (left) cannot get access to nationalised industry accounts. Mr Joel Barnett thinks it vital he is given more power.

The clash between ministers and nearly 300 MPs over greater parliamentary scrutiny of how nationalised industries spend the taxpayers' money is likely to be resolved in Cabinet committee within the next two weeks. The issue of whether or not the Comptroller and Auditor General should examine nationalised industry accounts has caused a good deal of heat between backbenchers and ministers and is regarded on both sides as being of vital constitutional importance.

The Comptroller and Auditor General's duty is to audit public accounts on behalf of Parliament. But under the existing legislation the Comptroller, Mr Gordon Downey, has no direct access to the state industries. So in practice his oversight of public money covers only about 60 per cent of the money spent each year.

Although the House of Commons Public Accounts Committee has been calling for a more independent role for the Comptroller and Auditor General since the mid-Seventies, anger at what backbenchers believe is a high-handed view of ministerial responsibility has largely been a Government White Paper last year on how to increase the efficiency of the public sector, and a Commons debate on the Public Accounts Committee 1981 report last November.

Basically the White Paper rejected the PAC's call for the Comptroller and Auditor General to be appointed by the Queen on the advice of Parliament rather than the Prime Minister and for him to conduct efficiency audits on the nationalised industry sector.

Instead, the Government proposed wider powers for the Monopolies and Mergers Commission which would be used as the main external agency for scrutinising the nationalised industries. There would be six state industry references a year rather than the present four so that each industry would be subject to a full scrutiny once every four years.

However this failed to satisfy many MPs (of all

parties) who saw the issue as the latest chapter in the battle between ministerial prerogative and Parliament's power to monitor and approve public spending. One Conservative MP, Sir Albert Costa, went so far as to say the Government was fortunate there was no vote because for the first time in his life he would have voted against it.

Mr Edward Du Cann, chairman of the powerful Treasury and Civil Services Committee and a former chairman of the PAC said in the November debate that MPs should be ashamed that more types of public expenditure escaped audit than in any other comparable country in the world.

The White Paper, Mr Du Cann said, was a "timid, trivial and disappointing document".

Such was the outcry against the Government's meek refusal to allow the Comptroller and Auditor to conduct a full audit that 287 MPs signed an early day motion last December supporting the PAC. This pressure forced the Leader of the Commons Mr Francis Pym to say the Government would reconsider. The Chancellor promised the House a statement early this year.

But in recent weeks, the views of ministers, especially of the Secretary of State for Energy Mr Nigel Lawson,

Industry Secretary Mr Patrick Jenkin and Mr David Howell, the Transport Minister, have hardened around the major principle of ministerial responsibility.

The Government was not prepared to let the PAC and the Comptroller and Auditor General loose among the books of the nationalised industries. Morale and efficiency would be damaged, the management would have less time to run their businesses effectively and risk-taking would be kept to a minimum if every move came under the eagle eye of Parliament and an industrial ombudsman.

Those views are mirrored by the Nationalised Industries Chairman's Group (NICG). Its director Mr Jim Driscoll admits the principle of public accountability, but adds there is a need to strike a balance between the public's requirement and the demands of running a business.

Already, the industries are subject to parliamentary questions, examination by the Select Committee on Industry, consumer councils, letters from MPs to chairmen which are given high priority, and audits by external firms of accountants. Additionally the NICG approved, albeit in a lukewarm fashion, the extended role of the Monopolies and Mergers Commission.

"Enough is enough," says Mr Driscoll. "The present arrangements for looking at our books are perfectly satisfactory. There is no benefit in bringing in the Comptroller and Auditor General into the nationalised industries' accounts. He has insufficient experience in handling the affairs of a commercial, public organisation."

"In the battle of the Titans it is best to keep your head below the parapet."

"The Parliamentary champion of reform, Mr Joel Barnett, formerly Chief Secretary to the Treasury clearly feels the issue is of major importance to Parliament."

While agreeing with the Treasury's guiding principles of ministerial responsibility, Mr Barnett believes financial stewardship and prudence in handling public funds, Mr Barnett believes ministerial responsibility is not a real substitute for parliamentary accountability.

"The Government will be seriously miscalculating if it resists the proposals of 287 MPs from all parties, including former Tory ministers and the leaders of the Liberals and Social Democrats."

"If the Government is not sensible on this matter, then there will be fierce resistance from backbenchers."

It seems unlikely that Mr

Barnett, Mr Du Cann and their supporters will be fully satisfied in their desire for a national audit office (which could be headed by the Comptroller and Auditor General) and the right of Parliament rather than the Prime Minister to recommend the appointment to the Crown of the Comptroller and Auditor General. But neither will ministers win their battle to keep full control of the nationalised industries' accounts within their departments.

For it appears that the Treasury, which opposed the PAC last November, is now working out a compromise. Although ministers could not agree on a solution to the issue in the Cabinets E (Economic) Committee last week, discussion is not at an end.

Talks will be held between the Treasury, ministers and probably Mr Barnett and his PAC colleagues before the issue goes into the E Committee within the next two weeks.

There are two possible compromises. First, the Comptroller and Auditor General might be involved in nationalised industries audits as a back-up service to the Monopolies and Mergers Commission.

Second, the House of Commons Select Committee on Nationalised Industries could be resurrected. This was abolished in 1979 to make way for a general-purpose Industry and Trade Committee.

Whether these compromises would satisfy the PAC and the backbenchers who signed the motion criticising the White Paper is another matter. The NICG may feel that the PAC proposals in favour of the Comptroller and Auditor General involve more time-consuming appearances and preparations in direct papers which would duplicate current practice.

But Mr Barnett and his colleagues have the overriding principle of public accountability for public money behind them.

And they could have an ally in the form of the Prime Minister.

Mr Thatcher is keen to make the public sector more efficient. The Think Tank, which reported on this matter last year, has been instructed to keep a watching brief on ways to improve the efficiency of the nationalised industries. Such support could be decisive in the battle between Parliament and Government.

Kevin Page

Why the robot army is smaller than it seems

TECHNOLOGY: AUTOMATION

By Clive Cookson

Japan already has 100,000 industrial robots and the Soviet Union will have 100,000 by 1985. Even France boasts 38,000 robots. But backward Britain can claim only a few hundred by the best estimate.

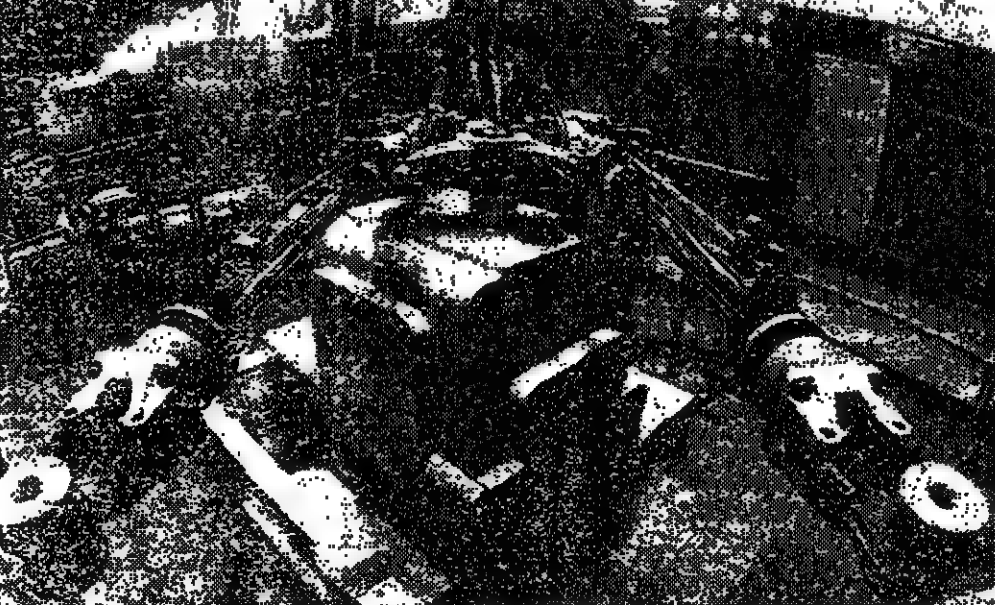
That dismal impression of this country's performance in robotics could have been picked up by a casual (and, admittedly, selective) reading of newspaper reports over the past few months. The reality, as usual, is not nearly so depressing.

The main trouble is that some countries, in particular, robot populations, deliberately or otherwise, by adopting a far wider definition of the term than the one recognised in Britain and the United States. The vast majority of the "100,000 robots" identified by the Japanese survey are either non-computerized "manual manipulators" operated directly by humans or simple "pick and place" machines following a fixed sequence of actions. Neither category should be dignified by the label "robot".

A true robot must be reprogrammable and must be able to manipulate and move port parts or tools through a variable series of movements. When it is no longer needed for one set of tasks, its electronic brain can be programmed to perform another sequence.

The Japanese may not have set out to overawe us with visions of a vast army of industrial robots; it could just be a genuine difference in terminology. But Mr Tom Brock, executive secretary of the British Robot Association (BRA), insists that the French have gone in for deliberate exaggeration, in pursuit of national glory. He quotes a recent claim that France has 38,000 industrial robots. "If you check with the French they will swear to their figures because they want to be Europe's number one in robots," Mr Brock said.

The BRA gives Britain a respectable fifth place in its annual census, announced last week, showed that the UK's robot population increased by 90 per cent during 1981 and stood at 731 at the end of the year. First came Japan with 10,000 industrial robots, fol-



Getting to grips with automation — a Soviet robot designed for use in the injection moulding process on show at the recent Russian Economic Achievement Exhibition.

lowed by the United States (5,000), West Germany (2,300) and Sweden (1,700).

According to the BRA, Britain has moved ahead of its closest European rivals, France and Italy, despite the £8m that Renault has spent on robot research and development over the past six years. Olivetti's leading role in robot design, and Fiat's early commitment to robotics in car manufacturing.

France is given 600 robots and Italy 450 (only 50 more than a year ago). Other Western countries have 1,500 between them.

The BRA is one of the authorities to place less than half of the world robot population in Japan. Others give the Japanese a more commanding lead. For example the Robot Institute of America estimated last year that Japan had 14,200 robots, compared to just over 4,000 in the United States. In Japan, the large Japanese management consultancy whose study *Industrial Robots in Japan, USA and UK* was published this month, says: "Secretiveness about the extent of robot utilisation in many Japanese companies makes it difficult to judge the real extent of robot use in that country."

"In Japan this secrecy is facilitated by well established lateral industrial relationships which, whilst making it difficult for Mitsubishi Heavy Industries to supply its robots to Toyota, for

example, also ensures that Mitsubishi Motors' technological applications are not leaked to its rivals in other groups," the Inabucan report says.

In contradiction to the BRA, Inabucan states: "Despite these statistical uncertainties, it is quite clear that over half the robots working in the world today are in use in Japan."

The problem of secretiveness is of course far worse with the Soviet Union and Eastern Europe. The Russians are known to be making a major drive to install robots in their factories, to replace idle and unreliable Soviet workers as quickly as possible, but no one in the West has a reliable estimate of their success. Last week's claim by Novosti Press Agency that the USSR will have 100,000 robots by 1986 seems wildly optimistic. A reasonable estimate for the number of Soviet robots today would be 3,000.

When we look back from the perspective of the next century, we may decide that no company in the world in 1982 was using what we then understood by a robot. For the terminology is likely to move on with the technology, leaving behind today's extremely primitive "first generation" machines.

The "one-armed bandit" robots we use now are "blind, deaf, dumb devices screwed to the floor", to use the words of Mr Peter Davey

who runs the Science and Engineering Research Council's Industrial Robotics Initiative.

Today's industrial robot will perform exactly the same sequence of actions, regardless of circumstances, until a human reprograms it to do something different.

The second generation of machines, being developed in academic and industrial research laboratories around the world, will have the intelligence that many people associate with a true robot. They will have a sense of touch, sight and/or hearing and their behaviour will change automatically in response to signals.

Intelligent robots, with sensors and enough computing power to cope with disorder and variations in their work, should start to appear on factory floors in the United States and Japan within the next year or two. IBM's first commercial robot which may be unveiled at next month's Society of Manufacturing Engineers robots show in Detroit, is expected to be a major step in the direction of intelligence.

Britain's national research and development programme in industrial robotics is coordinated by the Science and Engineering Research Council (SERC), which will spend £1.1m this year supporting 22 research partnerships between industry and universities or polytechnics.

Business Editor

More pieces for the jigsaw

It has been something of a puzzle trying to reconcile the mid-winter fatering in industrial output with the recent buoyancy of bank lending — the latest figures putting the rise in the six weeks to mid-January at an uncomfortable £1,680m.

Part of the rise in bank-lending has, of course, been attributable to the sharp rise in mortgage lending by the banks, together with borrowing to finance tax payments deferred during the civil servants' dispute.

But after yesterday's figures for manufacturers' and distributors' stocks it would seem that a good deal of the rest can now be put down to a virtual end to destocking in the fourth quarter of last year.

None of this in any case gives us any definite evidence as to which way the economy is likely to move in the immediate future.

The overall destocking figure was helped considerably by a rise in retailers' stocks. Are these latter stocks moving on to the consumer? Or do they represent involuntary stockholding following a bout of over-optimism by shops and stores?

Investment With hindsight

At first sight the latest figures on capital spending make gloomy reading. Record spending by distributive and service industries in 1981 was not enough to outweigh a slump in direct manufacturing investment of 17½ per cent.

Even including the booming leasing business, manufacturer's investment was down 13½ per cent. The fall recorded for manufacturing, distributive and service industries as a whole was 4.6 per cent.

But a look back at past investment figures suggests that first impressions may be misleading. The statistics show a disconcerting tendency to improve with time.

Roger Nightingale, economist of stockbrokers Hoare Govett, has been waging a one-man good news campaign (some hopeful Government ministers apart) on the British economy for some time. He points out that progress in the recent past always looks worse than in previous years because of data revisions, with capital spending figures a leading villain. The table suggests he may be right.

Whatever the reasons, if 1981 turns out like the two years before, the fall in investment may ultimately prove to have been very modest. If this is so, prospects for the economy could yet confound the pessimists.

But why should the first estimates be consistently so far below the later ones? The provisional figures are compiled on the basis of returns from about half the firms sampled (about 25 per cent of all firms). There is perhaps a tendency for the bigger firms to reply first with late returns coming from more dynamic smaller firms.

Whatever the reasons, if 1981 turns out like the two years before, the fall in investment may ultimately prove to have been very modest. If this is so, prospects for the economy could yet confound the pessimists.

After the heavy staging of Amersham International and the likelihood of a hefty premium in first dealings next week, Mr Nigel Lawson, Secretary of State for Energy, may well be wondering how he would like to see the BNOC flotation carried out. Clearly there would be considerable embarrassment for the Government in being seen to sell off oil assets "too cheaply", particularly if overseas investors are to be allowed in on the issue. Yet there remains a considerable reluctance on the part of those involved in the City to come up with something appreciably better than we have seen in the cases of Amersham and British Aerospace.

CAPITAL SPENDING			
% change on previous year	est'm 1979	1980	1981
1st	4.2	-0.05	-4.6
2nd	4.9	0.2	
3rd	7.1	-0.07	
4th	10.8	2.4	

Computers The long view

The Department of Industry and Science and Engineering Research Council are still arguing with computing experts from universities and industry over Britain's best response to Japan's grandiose "fifth generation" computer project. Proponents of a £250m

Goode Durrant & Murray

Group plc

Chairman Lionel Robinson reports on the results to 31st October 1981

- Pre-tax Profit £2,301,000 up 28%
- Shareholders' funds £11,373,000 up £1,663,000
- Net assets 45p per ordinary share up 7p
- UK housebuilding profit £710,000 up 37%
- Dividend increased from 15½% to 17½% covered 5.1 times
- Southern African profit £588,000 up 52%
- New Zealand departmental store profit £741,000 up 26%

Why the game must change now or die

Tables, page 20

Gower makes a firm stand among the early ruins

Smith, Gifford to join England's selectors

Eton's instinct for survival

Top-seeded Ivan Lendl defeated seeded Bob Lutz 7-5, 6-1 in the second round of the \$200,000 (SIC) tennis classic at the La Quinta Hotel tennis club. Polk Springs. It was his 42nd straight win. Lendl, 29, is on a winning circuit. John Lloyd beat the No. 11 seed Eddie Dibbs 6-2, 6-1.

Word to join electors

Turner stands down for Neale

Philip Neale, aged 27, is to captain Worcestershire this summer.

Honour for Barnes

Brian Barnes was yesterday named White Horse Golf Personality of the year for 1981.

Ken Hutchinson, the council's chief executive, said yesterday: "For several years we have been offering grants towards the cost of drug testing but so far only two sports, athletics and cycling, have taken advantage. We believe there are two main reasons for this.

linesman and I am not prepared to tolerate that sort of behavior from one of my players. But this is not the sole reason for today's move. As far as I am concerned he has played his last game for the club but I have not given him a free transfer. He is free to go.

Liege 1: Bruges 1, Beveren 2; Kortrijk 0, Antwerp 0; Winterslag 2, RW Solenbeek 1; Lokeren 0, CS Brug 2; Liege 0, Ghent 0; Berlingen Waregem 0; Lierse 2, Malines Tongres 0; Waterschei 0.

able. Second, without such evidence many governing bodies are reluctant to devote even a small part of their limited resources to the problem. By increasing the grants to 100 per cent, we hope that more governing bodies will be encouraged to take part, and only to confirm their belief that their sport is free of drug abuse.

ground again. Of course, I was
burst and surprised. I shall
contacting Gordon Taylor, the
PEA's secretary, in the morning
to ask for his advice." Taylor will
continue to be paid until
moves and will also receive com-
pensation for the remaining time

DUTCH: NAC Breda 1. Go Ahead Eagles -Deventer 0. Cup: Quarta final, first leg: DB '79 Dordrecht -Utrecht 1: NEC Nijmegen 0. Haarlem 2.



a dozen sports will take advantage of the new offer. Although the council does not normally grant aid to professional sport, it has acceded to a request from the Highland Games Association which organises the 13 professional Highland Games events to be included in the scheme for a trial three-year period.

Rugby League

Gregory drops out of tour

Los Angeles, Feb. 13

Lee Trevino, who has been nursing an old back injury since the damage it again in Palm Springs, showed that he cannot be written off even in this 43rd year.

because it is pretty wet," Trevino said. "and the greens were easy because they left the grass long and you could attack the hole."

When the Open began today, the par-71, 7,029-yard Riviera course was being quickly dried to a faster

Trevino's score was only one stroke off the tournament course record of 64, scored by Pat Fitzgibbon in winning the 1975 event. His second nine 31 was also only one shot more than Johnny Miller's par fours in the low eighties.

[illegible]

already been settled that, at the start of the match at Le Mans, Maurice Colclough will occupy Beaumont's position at number two in the lineup.

England's coach, Mike Davis, does not see France playing

BOSCH (Netherlands) 59.
 BOSCHETTI CUP: Semi-Final on
 Sports: Moscow 67, Turganov Bud
 post 48.
 KORAC CUP: Semi-Finals: Red St
 Belgrade 115, Moscow (Yusolavi)
 59.

Aston Villa (0) 1
 Withers
 25,877
 Second division
 Chelsea (0) 1
 Cardiff C (0)
 Third division

ALLIANCE PREMIER LEAGUE: Inford 4, Altrincham 3; Weymouth 3, Worcester 2; Yeovil 1, Exeter 2.

SOUTHERN LEAGUE: Midlands division: Swindon 2, Bedford 4, Cambridge City 1, Brighton 2, Lincoln 1; Cheltenham 1, Reading 3.

Southern division: Aldershot 2, Weymouth 1, Watlington 1, Millwall 0, Colchester 2; Dunstable 1, Welling 2.

FA YOUTH CUP: Fourth round: Yeovil 1, Sunderland 1; Tottenham 1, Lincoln 1.

1997

1. *Staphylococcus aureus*

4

[Signature]

MPs talk of crime and punishment

Rescue mission: Sir Kenneth Cork arrives at the Northern Ireland Offices for discussion on the De Lorean company which, he says, needs £25m to stay afloat.

with rockets and yesterday we apartments and small bung

A helicopter lifted his Peugeot 104 to the Italian side of the mountain to begin his descent. The French

Michael Chirouze, aged 37, made his record plunge in temperatures as low as -33°C with one wind gusting up to 90 mph down ice-packed slopes. A helicopter lifted his eugeot 104 to the Italian side of the mountain to begin his descent. The French

Michael Chirouze, aged 37, made his record plunge in temperatures as low as -33°C with one wind gusting up to 90 mph down ice-packed slopes. A helicopter lifted his eugeot 104 to the Italian side of the mountain to begin his descent. The French

NOON TODAY Pressure is shown in millibars. **FRONT** is indicated by a line with triangles (cold) or semicircles (warm). **LOW** and **HIGH** are indicated by "L" and "H" respectively. **ISOBARS** are on adjoining page.

MOON TODAY

Legend:
 ☉ - Moon 3rd; ☾ - Moon 4th; ☿ - Moon 5th
 ☼ - Moon 6th; ☽ - Moon 7th; ☿ - Moon 8th
 ☼ - Moon 9th; ☽ - Moon 10th; ☿ - Moon 11th
 ☼ - Moon 12th; ☽ - Moon 13th; ☿ - Moon 14th
 ☼ - Moon 15th; ☽ - Moon 16th; ☿ - Moon 17th
 ☼ - Moon 18th; ☽ - Moon 19th; ☿ - Moon 20th
 ☼ - Moon 21st; ☽ - Moon 22nd; ☿ - Moon 23rd
 ☼ - Moon 24th; ☽ - Moon 25th; ☿ - Moon 26th
 ☼ - Moon 27th; ☽ - Moon 28th; ☿ - Moon 29th
 ☼ - Moon 30th; ☽ - Moon 31st; ☿ - Moon 1st

High tides

	AM	BT	PM	HT
Lancaster Bridge	10.31	5.6	10.55	3.7
Aberdeen	10.27	5.3	11.04	3.6
Aberystwyth	9.58	5.1	10.54	3.5
Belfast	9.13	4.8	8.53	3.4
Cardiff	9.24	4.9	8.58	3.4
Dunfermline	2.07	4.3	2.45	4.5
Dover	8.46	5.2	8.42	4.5
Edinburgh	9.58	5.1	10.54	3.5
Glasgow	9.58	4.9	10.04	4.0
Harwich	8.57	3.2	8.06	3.3
Heatham	7.57	3.2	7.44	3.3
Hull	2.54	5.7	3.21	5.9
Wormsley	7.57	3.2	7.44	3.3
Leith	11.36	4.4		
Liverpool	8.06	7.8	8.43	7.4
London	6.18	7.1	6.55	7.4
Marine	8.43	3.7	9.14	3.6
Milford Haven	1.05	5.2	2.32	5.2
Newport	5.58	3.2	7.28	3.2
Oban	3.06	3.1	3.53	3.1
Plymouth	2.20	4.3	3.53	4.3
Portsmouth	8.16	3.7	8.05	3.7
Scarborough	7.58	6.7	8.09	3.7
Southampton	7.44	3.7	8.09	3.7
Sunderland	2.54	7.2	3.24	7.2
Torquay	1.05	5.2	12.54	5.2
Wilton-on-Thames	8.43	3.2	9.05	3.3

Tide correction in metres: Jan - 3.200

[illegible][illegible]